

Monday, 20th March, 1939

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THE
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VOLUME I, 1939

(23rd January to 18th April, 1939)

FIFTH SESSION
OF THE
FOURTH COUNCIL OF STATE, 1939

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COUNCIL OF STATE.

Monday, 20th March, 1939.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

INDIANISATION OF REGIMENTS OF FIELD ARTILLERY.

193. THE HONOURABLE MR. SRI NARAIN MAHTHA (on behalf of the Honourable Raja Yuveraj Datta Singh) : (a) Will Government state their policy in the matter of Indianisation of the artillery ?

(b) Are Government contemplating to take early steps to completely Indianise the artillery ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (a) Government's present policy is to Indianise completely the equivalent of one division of all arms. In accordance with this policy, two regiments of field artillery, *i.e.*, eight batteries, will be completely Indianised. One field regiment, *i.e.*, four batteries, was raised at Bangalore in January, 1935.

(b) No.

DEFENCE OF THE NORTH EAST FRONTIER.

194. THE HONOURABLE MR. SRI NARAIN MAHTHA (on behalf of the Honourable Raja Yuveraj Datta Singh) : Will Government state what measures they are taking to guard India from foreign invasions from the north-east ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The Government of India have the defence of India, including the defence of the North East Frontier, continually in view and will take such steps as may be considered necessary for its defence in accordance with the requirements of the situation and the nature and scale of the possible danger, as it may appear to them, from time to time.

NORMAL PERIOD TAKEN FOR PROMOTION OF INDIAN OFFICERS FROM THE RANK OF LIEUTENANT TO CAPTAIN, ETC.

195. THE HONOURABLE MR. B. N. BIYANI (on behalf of the Honourable Mr. G. S. Motilal) : Will Government state the length of service after which a second lieutenant in the Indian Commissioned officer cadre is promoted to the rank of a lieutenant, a captain and a major ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : I refer the Honourable Member to the reply I gave to part (a) of question No. 138 asked by the Honourable Sir A. P. Patro on the 7th March, 1939.

NUMBER OF OFFICERS ADMITTED ANNUALLY INTO THE INDIAN ARMY.

196. THE HONOURABLE MR. B. N. BIYANI (on behalf of the Honourable Mr. G. S. Motilal): Will Government state the number of new officers admitted yearly to the combatant and non-combatant ranks of the Indian Defence Force during the last five years?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF:

1934	.	.	.	.	.	.	.	.	275
1935	.	.	.	.	.	.	.	.	422
1936	.	.	.	.	.	.	.	.	473
1937	.	.	.	.	.	.	.	.	660
1938	.	.	.	.	.	.	.	.	515

WAZIRISTAN OPERATIONS.

197. THE HONOURABLE MR. SRI NARAIN MAHTHA (on behalf of the Honourable Raja Yuveraj Datta Singh): (a) Will Government state by when they expect to end the Waziristan Operations?

(b) What is the total amount spent so far?

(c) What is the total number of casualties?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) I refer the Honourable Member to the press communique issued on the subject on the 26th January, 1939.

(b) The total extra expenditure from November, 1936 to January, 1939 amounts to about Rs. 244 lakhs.

(c) Killed 303.

Wounded 900.

RESTRICTIONS PLACED ON MILITARY AND CANTEEN CONTRACTORS.

198. THE HONOURABLE MR. M. N. DALAL: (a) Will Government state if there are any restrictions and limitations put upon military and canteen contractors for dealing in Indian manufactured goods? If so, what are they, and why are they imposed?

(b) Are there any such restrictions laid upon their selling cigarettes made in this country? If so, what are exactly those restrictions and why are they laid?

(c) What are the rules and regulations governing the sale of cigarettes by such contractors and which particular brands of cigarettes are allowed to be sold under or without any restrictions?

(d) Are cigarettes made in the United Kingdom, France, Italy, etc., only allowed to be sold, with or without any restrictions by such contractors?

(e) Are cigarettes made in India by foreign firms allowed to be sold with or without any restrictions by such contractors?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) to (e). I am collecting the information and will lay it on the table in due course.

ENLISTMENT OF ANGLO-INDIANS IN THE INDIAN ARMY.

199. THE HONOURABLE MR. SRI NARAIN MAHTHA (on behalf of the Honourable Raja Yuveraj Datta Singh) : Will Government state the principles underlying the enlistment of 100 Anglo-Indians only as recruits to the Indian Army to the exclusion of all other communities in the present quota ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The question is not understood.

INSTRUMENT OF ACCESSION CIRCULATED TO RULING PRINCES AND CHIEFS.

200. THE HONOURABLE MR. M. N. DALAL : Will Government lay on the table of the House a copy of the latest Instrument of Accession circulated to the Rulers of Indian States ?

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD : No, Sir.

RULING PRINCES AND CHIEFS AND FEDERATION.

201. THE HONOURABLE MR. M. N. DALAL : Will Government state at what stage are the negotiations with the Ruling Princes who are members in their own right of the Chamber of Princes, as respects their joining the Federation ? Have Government given any time-limit within which these negotiations have to be concluded ? Will Government state when they expect the proclamation of the Federation to be made ?

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD : *First part* : Rulers of Indian States were very recently supplied with detailed draft Instruments of Accession appropriate to each case and their replies as to whether they wish to accede to the Federation within the terms indicated therein are awaited.

Second part : Rulers have been asked to send their replies within six months.

Third part : I am unable to give a precise date. The early achievement of Federation remains the considered policy both of His Majesty's Government and of the Government of India.

THE HONOURABLE MR. P. N. SAPRU : When will the six months expire ?

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD : I am not sure but I believe six months after the receipt of the draft Instruments of Accession.

THE HONOURABLE MR. P. N. SAPRU : When were the draft Instruments of Accession sent ?

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD : I must ask for notice of that question. I am afraid I cannot answer that offhand.

ARREST OF SHRI MATHURAPRASAD VAIDYA AND MANIKLAL VERMA BY THE MEWAR POLICE.

202. THE HONOURABLE MR. B. N. BIYANI : (a) Has the attention of Government been drawn to an article in the *Harijan* (dated 18th February, 1939) under the heading "Mewar" in which a description has been given of the arrest of Shri Mathuraprasad Vaidya and Maniklal Verma in British territory near Deoli by the Mewar police ?

(b) Are Government aware that the colleagues of the arrested persons were severely beaten by the Mewar police and that they were treated in Deoli Hospital ?

(c) Was a complaint lodged with the Deoli police by the colleagues of the arrested persons ?

(d) Have Government received a telegraphic representation from Mrs. Narayani Devi, the wife of Shri Maniklal Verma on the 3rd February, 1939, in this connection ?

(e) Have Government inquired into the matter ?

(f) If not, do Government now propose to inquire into the matter ?

THE HONOURABLE MR. F. H. PUCKLE : (a) Yes.

(b) No.

(c) No. Three persons went to the police station at Deoli on the 2nd February, and inquired whether the head constable was there. They were told that he had gone to the town and although they were asked to wait, they left without making a formal complaint.

(d) No such telegram was received by the Government of India or the Chief Commissioner.

(e) It has been ascertained by the Ajmer-Merwara police that no arrest in connection with this case was made within British India.

(f) Does not arise.

REBATE ALLOWED ON RAILWAY FREIGHT FOR THE CARRIAGE OF GOODS FROM FOREIGN COUNTRIES TO AFGHANISTAN.

203. THE HONOURABLE MR. B. N. BIYANI : (a) Do Government grant rebates which vary from nearly 30 to 66 per cent. on the railway freight for the carriage of goods from foreign countries to Afghanistan and from Afghanistan to foreign countries through India ?

(b) If so, is the same rebate allowed for Indian goods from and to Afghanistan ?

(c) Have Government received any representation from any commercial interest in India in this connection ?

(d) Have Government come to any decision in consultation with the Afghan delegates in the recent trade talks about this matter ?

THE HONOURABLE SIR GUTHRIE RUSSELL : (a) to (c). Yes.

(d) No.

SUBSIDY PAID TO IMPERIAL AIRWAYS, ETC.

204. THE HONOURABLE MR. N. K. DAS : (a) Will Government state what annual subsidy they pay to Imperial Airways operating in India ?

(b) What is the total mileage involved in Imperial Airways' passenger and mail service in India ?

(c) What is the number of pilots employed by Imperial Airways in their services in India and what is the number of Indians and non-Indians among the pilots employed ?

THE HONOURABLE MR. A. D. GORWALA : (a) The Honourable Member is referred to the reply given to part (d) of question No. 173 asked by the Honourable Mr. M. N. Dalal on the 13th March, 1939.

(b) Imperial Airways carry passengers and mail across India by two routes using flying boats on one and landplanes on the other. The length of the flying boat route is 1,410 miles and that of the landplane route 1,506.

(c) Thirteen, all of whom are Europeans.

GEOLOGICAL SURVEY OF INDIA.

205. THE HONOURABLE MR. N. K. DAS : Will Government state the number of officers employed in the Geological Survey of India and the number of Oriyas among them ?

THE HONOURABLE MR. M. S. A. HYDARI : There are 26 gazetted officers in the Geological Survey Department. None of them is an Oriya.

GEOLOGICAL SURVEY OF INDIA.

206. THE HONOURABLE MR. N. K. DAS : (a) Will Government state whether the Government of Orissa have approached the Geological Survey of India for the appointment of three additional officers to operate in Orissa and whether the posts have been advertised by the Federal Public Service Commission ?

(b) If so, do Government propose to consider favourably the question of the appointment of Oriyas in that Department ?

THE HONOURABLE MR. M. S. A. HYDARI : (a) Yes.

(b) Appointments to the Geological Survey of India are not made on a provincial basis.

BROADCASTING DEPARTMENT.

207. THE HONOURABLE MR. HOSSAIN IMAM : Will Government give the following information about the Broadcasting Department :

- (a) the number of vacancies advertised during the last three financial years and the current year ;
- (b) the names of the papers in which advertisements appeared ;
- (c) the number of applications received from each province from those not already in service ;
- (d) the number of candidates called for interview from the respective provinces ; and
- (e) the number of persons appointed from each province at each time from non-service men ?

THE HONOURABLE MR. A. D. GORWALA : (a) and (b). A statement is laid on the table of the House.

(c) to (d). I regret that the information is not readily available and its collection would involve an expenditure of time and labour disproportionate to the result.

(e) The information is being collected and will be laid on the table in due course.

Statement showing the number of vacancies advertised for the Broadcasting Department during the years 1935-36 to 1938-39 and the names of the papers in which the advertisements appeared.

(a) *The number of vacancies advertised—*

1935-36 . . . 16

1936-37 . . . 1

1937-38 . . . 16 *plus* certain posts of Technical Assistants the number of which was not specified in the advertisement.

1938-39 . . . 18 *plus* certain posts of Technical Assistants the number of which was not specified in the advertisement.

(b) *Papers in which the advertisements appeared—*

1. The Madras Mail, Madras.
2. The Hindu, Madras.
3. The Times of India, Bombay.
4. The Statesman, Calcutta.
5. The Star of India, Calcutta.
6. The Leader, Allahabad.
7. The Pioneer, Lucknow.
8. The Civil and Military Gazette, Lahore.
9. The Eastern Times, Lahore.
10. The Rangoon Gazette, Rangoon.
11. The Hitavada, Craddock Town, Nagpur.
12. The Khyber Mail, Peshawar.
13. The Hindustan Times, Delhi.
14. The Indian Nation, Patna.
15. The Daily Gazette, Karachi.
16. The National Call.
17. The Tribune.
18. The Amritbazar Patrika.
19. The Bombay Chronicle.
20. The Advance.
21. The Calcutta Exchange Gazette and Daily Advertiser.
22. The Search Light.
23. The New Orissa.
24. The Times of Assam.
25. The Sylhet Chronicle.
26. The Inqilab.
27. The Aj.

STANDING COMMITTEE FOR THE LABOUR DEPARTMENT.

THE HONOURABLE THE PRESIDENT : Honourable Members, with reference to the announcement made by me on the 16th March, regarding nominations for election to the Standing Committee to advise on subjects with which the Labour Department is concerned, I have to inform the House that the Honourable Mr. V. V. Kalikar has since withdrawn his candidature. As there now remain the following two candidates for two seats I declare them duly elected :

1. The Honourable Sir Ramunni Menon.
 2. The Honourable Mr. N. K. Das.
-

RESOLUTION *RE* CONTRIBUTION OF RAILWAYS TO GENERAL REVENUES.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Sir, I rise to move the following Resolution :

"That this Council recommends to the Governor General in Council to investigate into the ways and means for increasing the contribution of the railways to the general revenues and also specially into the following methods :

- (i) construction of goods wagons in railway workshops ;
- (ii) pooling of general service wagons of all State Railways into one Indian State Railway stock and arranging for their repairs in the nearest railway workshop ;
- (iii) abolition of the Railway Clearing Accounts Office ; and
- (iv) imposition of cuts in salary of the staff of the railway administrations running at a loss."

Mr. President, this Resolution has been brought forward in order to augment the resources of the provinces. I know the Central Government takes very little interest now in the receipts of the railways, as most of it has been earmarked for provincial contribution—

THE HONOURABLE MR. A. J. RAISMAN (Finance Secretary) : No.

THE HONOURABLE MR. HOSSAIN IMAM—and as a consequence, the amount of vigilance which the Finance Department used to exercise is lacking at the moment. Before dealing with the miscellaneous items which I have not specified, I would like to deal with the items which I have specified. First of all, Sir, I want to say something about the construction of goods wagons in railway workshops. The purchase procedure so far has been, that formerly these used to be imported from outside, latterly, they have started giving contracts to Indian firms and they are at the moment buying their requirements mostly from Indian firms. But it should be taken into account that at the moment our replacements are not what they would have been on the strictly actuarial basis. When the railways were in a prosperous condition they purchased more wagons than were actually required, and as a result we had for some years to postpone all purchases and during recent years we have been buying small stocks of wagons. I say this on the basis of what I have

[Mr. Hossain Imam.]

learnt from the railway administration reports. The usual life of a wagon has been given as 40 years. Our stocks are about 1,40,000 broad gauge wagons and more than 45,000 metre gauge wagons. Now on a basis of 40 years' life we would require something like 3,500 broad gauge general service wagons and about 1,000 metre gauge wagons. That means 4,500 per annum. We have not been purchasing at that rate during recent years, with the result that a time will come when it would not be possible to defer purchases and they will have to go in and purchase more and more stock from the market. Now, even with such restricted purchases what is the condition of the companies which are supplying our demands? I find that the Indian Standard Wagon Co. had an ordinary capital of less than Rs. 10 lakhs and a preference capital of Rs. 19 lakhs. Now, the ordinary capital is quoted in the market at Rs. 46 for Rs. 25 paid up. That means it is at a premium of 84 per cent. If there is so much profit to be made out of wagons when the orders are few and far between, it stands to reason that a great saving could be made if we started manufacture ourselves. There is the example of the railway administration, for instance, in the purchase of coal. Although coal is purchased in the open market as well, it yet maintains railway collieries in order to regulate the price. So, even if we did not stop orders to the Indian wagon companies, who have now acquired a right as usual on the Government for purchases; if we are able to manufacture wagons in our own workshops we will be able to regulate the prices. It would be possible for us to stand out if the companies did not bring down their prices enough. You will realise their prosperous condition when I tell you that even though we are purchasing less than half of our annual requirements, even on that basis the profits of these companies is such that ordinary shares are being quoted at a premium of 84 per cent. and preference shares, which has a fixed dividend, are quoted at Rs. 130 for Rs. 100. That shows there are enormous profits to be made in the construction of railway wagons. And one thing which does not come within my understanding is that, if our workshops are able to manufacture carriages which are much more complicated, why cannot they manufacture ordinary wagons? The block account of the Indian standard wagon stands at Rs. 59 lakhs. That is not a very huge capital for the railways, but it started work originally on about Rs. 29 lakhs. Now, it has accumulated in the manufacturing process so much capital that it has doubled its original capital. In addition to giving profits to its shareholders it has almost doubled its capital. That is how Indianisation is going on in India, that profits must go to the private individual and nothing should come to the Government. We have been hearing all along about the manufacture of engines. There the Government have not a very good case, but still some show of a case, because the number of engines is small and the types to be made many, and so it may not be a profitable investment. But nothing like that can be said about wagons. You know that ultimately you have to purchase at least 4,500 wagons per year. Why cannot you start betimes? It is particularly opportune at the moment because we are not yet placing all our orders with the companies. As soon as better times come it is likely that we will have to go in for more and more wagons. I was surprised to find that in one individual railway there was a reduction of 5,000 in the number of wagons, that is E. B. R. metre gauge wagons. That is perhaps because traffic has been diverted. But there is no denying the fact that even on the present basis and the basis of what has been going on for the last 10 years you will have to buy at least 4,500 wagons. Your purchase can be distributed, say one-third to the private companies and two-thirds to the railway workshops. Or if you think that is not the correct method, you can give these people, the private manufacturers, the option of selling their stock and plant

to you as a going concern and manufacture your own wagons there. I do not specify that you should either buy up existing plants or start your own. But on the analogy of your action in the matter of collieries you should as a safeguard have a workshop of your own.

Now, Sir, I come to the next item, the pooling of general service wagons of all State railways into one Indian State Railway stock. This is already being done, but in a roundabout way. We have the Railway Conference Association, a body outside the jurisdiction of the railway administrations as well as the Government of India. It is something like private companies having a Trust Board outside the industry, as they have in the sugar industry. That is quite good enough for those corporations which are not State undertakings, but when we have a State undertaking with everything centralised under the Railway Board the utility of an outside Association to do its work does not appeal to us. A better method would be what I suggest, that all the railway general service wagons should be pooled and their repairs should be done at the nearest workshop, instead of their being returned to their parent lines. Every wagon has today a date, the month and year, marked on it which represents the date when it has to be returned to its parent line for repairs. That involves unnecessary journeys. The Wedgwood Committee had laid great stress on the fact that we must utilise our wagons better and the turnabout should be as short as possible and unnecessary diversion should be avoided. The best method would be to pool them all in one stock. We should have offices outside the Railway Administration under the Railway Board. There should be officers in charge of big inter-change stations which should divert a certain number of wagons to each railway headquarters as may be required. By having wagons repaired at the nearest workshop not only do we avoid unnecessary journeys but we are having greater usage of the rolling stock. The necessity of it would be apparent from the fact that even now—I have not got the latest figures—the wagons are not being utilised as much as they were in 1929-30. For these reasons, Sir, I recommend that they should be pooled into one stock.

The third item, Sir, is the abolition of the Clearing Accounts Office. This has formed the subject-matter of criticism in the two Houses many times. The function of the Clearing Accounts Office is mainly to take very scrupulous care of how much money should go from my right-hand pocket to the left-hand pocket. This is all its function and for this white elephant we have to pay Rs. 17 lakhs. Is it wise that you should at a moment when you are falling in arrears of payment to general revenues indulge in this waste of public money? The possibility of fixing a quota that so much of the takings of each railway should be credited to the other railway on the actual basis of the last three years could be adopted. We have in the railway again an example of how they have given up unnecessary accounting. Formerly the system of contribution to the depreciation fund was based on the calculation of the different lives and their values. We used to have a huge staff to carry on this work. In the end the Railway Administration thought that it would be wiser to fix up a certain percentage, one-sixtieth of the capital at charge, as the basis on which this depreciation fund should be credited. Now they have adopted that system themselves. They have given up accurate accounting and that is one of the reasons why there is so much difference between Mr. Parker and the Railway Administration on the question of debits to the depreciation fund. Our depreciation fund is not at the moment based on the actuarial contribution basis that we can draw only that amount which we have credited to its account. Ours is on a more empirical formula and it is on that formula that

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we have found that one-sixtieth would cover the necessary incidence of different kinds of assets. If you can adopt an empirical formula for your contribution to depreciation fund, why cannot you have a formula based on the actuals of the last three years for contribution from one railway to another railway and by means of that save a huge amount out of Rs. 17 lakhs which you are wasting at the moment ?

Now, Sir, I come to the last item, imposition of cuts in salary of the staff of the Railway Administrations running at a loss. There are certain Railway Administrations in India who have the unenviable distinction of never having run at a profit. The first and foremost in this branch comes the B. N. R. which, secure in its contract, assured of an adequate return on its capital and having full liberty to appoint anyone they like, have been making the rake's progress which such conditions would induce. From the year 1924-25 up to the year 1937-38 they had incurred a loss of Rs. 17,18 lakhs. Not in one year in this long period have they been able to show a profit or even to square up their accounts, and yet this Railway is credited with having at its credit in the depreciation fund the sum of Rs. 5,53 lakhs. Where has this fund come from no one knows. It is the profits of the E. I. R. and the B. B. & C. I. R. which go to make up for the losses of these railways. The N. W. R. (Strategic) has the distinction of being the greatest losers. Their loss was Rs. 26,26 lakhs in the period of about 14 years. But that Railway, as the name implies, is a strategic railway. It has been built not so much with a view of getting a commercial return as with a view to safeguard the frontiers of India and as such there can be some justification for its running at a loss. But there can be absolutely no justification for the B. N. R. to run at a loss. Then, Sir, the A. B. R., with the exception of one year when it gave a return, a magnificent return of Rs. 4 lakhs, has been running at a loss all these years and its accumulated loss amounts to Rs. 6,13 lakhs. Now, I want to know would any commercial concern carry on business at such loss without making efforts to reduce its wages ? When it comes to the question of rates to facilitate the movement of Indian goods you always retort : that it is a commercial department, we cannot make concessions and if concessions are to be made they must be paid by the general taxpayer, it is a commercial department and it cannot make distinctions. But when there is competition and road motors come in, then you forget your principles and you are ready to reduce your rates ludicrously low and quote rates which you would never do if road competition had not come in. Then you behave as a commercial man would ; in order to wean the traffic he has to bring down the rates. Now, I ask why not follow the third analogy, that if a business is running at a loss, it is the duty of the administration to reduce its expenditure. How can you reduce the expenditure ? You have tried all possible means. We have a statement of how job analysis has resulted in enormous paper savings. They are only paper savings ; they do not come into the picture. As I have said in my speech on the Railway Budget, our working expenses have gone up by nearly Rs. 2 crores over the actuals. Now, the question is, what other means are open ? This is not a new case. You are not running at a loss for one or two years only. You cannot say that the times are bad and when better times come you might be able to make the two ends meet. But when a railway administration has been constantly running at a loss for more than a dozen years, does it stand to reason to do nothing, have you any defence not to introduce cuts in salary ? My Congress friends would have liked to introduce a general cut in the salaries of all the railway men as they had passed a Resolution on this subject in the other place. They had some justification for that

because the railways are not able to pay their full quota to the general revenues. Therefore there is a reason for a general reduction of salaries in all railways. But that is a matter of policy. Here the question which I am asking the Railway Administration to consider is the question of necessity. You cannot possibly be an individual railway without any backing from the State. What would happen? It would by now have gone into liquidation and have been bankrupt. But because it has the backing of the State and as I said it has been helped into this feeling by its long long contract, for these reasons it has been behaving in this manner. The A. B. R. contract is to expire the year after next, in 1941. I wonder if our Railway Board would exercise its option of purchasing or would rather leave in the hands of these inefficient people who have been managing so very badly all these years.

Now, Sir, I should like to come back to investigating the ways and means for increasing the contributions of the railways—the unspecified items. Mr. President, the railways are not able to pay us money because of the fact that the whole system of its accounting is based on wrong premises. You regard them as individual railways, so much so that every penny of the income of one must be shared with the other through the medium of the Railway Clearing Accounts Office. But when you have cleared the accounts, you pool them all and the depreciation fund balances from which loans are taken to meet the individual losses of the railways, there is no debit of the amount taken on loan by that individual railway. We were told, Sir, and I brought it prominently before the railways, that the depreciation fund balances should only remain in the account of those railways which have been able to earn those depreciation funds and false credits should not be made to other accounts. Our employees have no interest in the well-being of the railways. In big corporations you have a system of bonuses paid to the staff if the corporation is able to make profits, as they have in the case of the Tatas. Now, if we had something on the same basis, a low pay and a big bonus, every railway employee would have the interests of the company at heart and would try to make it as efficient and as good a payer as possible. Then, Sir, we have the distinct disadvantage that military traffic is carried at a special reduced rate. If military traffic is to be carried at a special reduced rate, it is to the advantage of the general taxpayer because after all we, the general taxpayer, have to foot the defence bill. I do not object to that but there are certain other classes of goods which receive special consideration, for which there is not much justification.

The railways, Sir, in order to become commercialised and able to bear their own burdens must be distinctly regarded either as a public utility service in which the interest of profits is no incentive and in which there need not be a separation of accounts—everything should be pooled. There is no need to have individual railways. You can have the Indian Railways functioning as one with the units at two or three centres as the headquarters of a section. Or, if they are to be regarded as commercial concerns, then the separation must be in all their accounts, in their depreciation accounts, their profit and loss accounts and in their other accounts. The contribution of the railways is also reduced due to the fact that you have a system of accounting whereby depreciation fund is charged to the expenses before any contribution is made to the general administration. You would say that it is for the betterment of this concern. But as you have adopted an empirical formula you have no justification for the present contribution to the depreciation fund except your own sweet will. The amount, Sir, of depreciation fund at one-sixtieth of the capital at charge is in my opinion not excessive but at the same time not what ought to be the system. I would rather have it on the basis that up to 1 per

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cent. of the capital at charge after payment of interest charges and everything should go straight off to the depreciation fund. Any profits above that should be distributed between the depreciation fund and the general revenues in equal shares. For instance, if we have only $1\frac{1}{2}$ per cent. profit, $1\frac{1}{2}$ per cent. should go to the depreciation fund and $\frac{1}{2}$ per cent. to the general taxpayer. But if we make a profit of 3 per cent., the result is that the depreciation fund gets 1 per cent. and the general taxpayer gets 1 per cent. You have a more logical system and a system based on reality. By that means you will be able to in a successful administration have a big depreciation fund while in others you will have a small depreciation fund but that will also show whether the management of a railway is very efficient and which is less efficient. For instance, in strategic railways it is wrong to charge them with any capital. They are not able to pay you any interest charges. Why have this anomaly on the one hand of debiting them with interest and on the other hand paying them out of another place? You should as a matter of prudence write off that capital which is unremunerative. By means of sinking fund operations we should be able to write off that part of the capital which is unnecessary and unremunerative at the present moment. I have already suggested that the strategic railways should be handed over to the Military Department. That, Sir, would solve all the troubles of the Railway Administration. But the Defence Department is not prepared to shoulder this burden because it knows that, if the railway administrations are not able to run it at a profit, they will never be able to do so.

In conclusion, Sir, I would like to close my remarks with one word, that we want the Railway Administration to do their utmost to increase the contribution to general revenues and so far they have not increased their contribution. As I said in the beginning, at the time of the Railway Budget, their contribution is due to the effect of the policy of the Finance Department and nothing has been yet done by the Railway Administration.

Sir, I move.

THE HONOURABLE THE PRESIDENT : Honourable Mr. Sapru, as your Resolution lower down in the list will be barred by this Resolution, I will now ask you to speak.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, when I found that my Resolution had been anticipated by the Honourable Mr. Hossain Imam, I said to myself that my task has been made very much easier. I knew he would deal with this subject much more exhaustively and thoroughly than I would be able to do, and so I said to myself that I would just listen to him and repeat in different language what he has to say. Now, Sir, so far as the first part of the Resolution is concerned, the position is this. At present, the wagons are manufactured by private firms. We used to import them at one time. Now we are trying to have them made in India in private workshops and Indian firms are given contracts. If the State were to take over the building of these wagons, the cost of building them would be reduced. It would be possible for us to effect economies if we built the wagons ourselves. We shall be able to regulate the prices. That is the argument for having the goods wagons constructed in railway workshops.

The Honourable Mr. Hossain Imam has pointed out that private firms make enormous profits by constructing these wagons. He has pointed out that the ordinary share of the firms stands at a premium of 80 per cent. and

the preference shares stand at Rs. 130 for a Rs. 100 share. If we can manufacture locomotives, there is no reason why we should not be able to manufacture wagons also. Why should the profits of wagon construction go to capitalists, whether Indians or Europeans? Why should not the State undertake the responsibility itself of manufacturing wagons for a public utility service?

Sir, in the other part of the Resolution, the Honourable Member has tried to point out certain ways in which railway administrations can be made to run more economically. The provinces are now interested in railway finances. If railway finances improve, their share of the contribution from the centre will increase. They need to develop social services. Therefore, we have to see that railway administrations are run on an economical basis. He has pointed out that certain railway administrations have been running at a loss for a continuous number of years. Once they made a profit of Rs. 4 lakhs, but barring that, they have never made any profit. He has referred to two Administrations, the B. N. R. and the A. B. R. The question that suggests itself to one is this: "How would a commercial firm have behaved if it found that its business was running at a loss?" When wage-earners ask for an increase in salaries in mills run by private capitalists, they are told that they cannot have an increase in wages because the industry will not be able to bear the increased cost of the wage bill. Apply that argument here. Here, you are running a public utility service. You have been running it at a continuous loss, and yet you continue to pay your employees the same salary that you were paying before. Is that the way a private capitalist would approach his task? If he found that he was running at a loss, he would look into the wage bill and try to reduce it and effect other economies. Here you are up against this difficulty. You have got certain vested interests and you must respect them and therefore you won't reduce your wage cost. That is certainly not a sound principle on which to run a commercial concern, or a public utility service.

The Honourable Mr. Hossain Imam has not raised any wider question so far as salaries are concerned, that is involved in this Resolution. He has put his case on the very reasonable ground that you must pay to your servants salaries which you can afford. I therefore, Sir, would like to support part (iv) of the Resolution also. So far as the other two parts are concerned, he has dealt with them very exhaustively and I need not dilate on the arguments which he has used in this House. I would like therefore to give the Resolution my support.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I am sorry that I cannot support all the parts of this Resolution. As far as the construction of wagons is concerned, my own impression is that the railway workshops cannot possibly turn out the wagons at the same cost as private concerns. There was a time, if I remember aright, when a certain well-known Calcutta firms offered to run the State railways' workshops at half the then cost. I also know that the price of an ordinary four-wheeler goods wagon used to be Rs. 8,000. After the war tenders were invited from all over the world for the supply of railway goods wagons, and to my surprise I found that the tender of a British firm, Metropolitan Vickers, was about Rs. 5,000 per four-wheeled broad gauge wagon, while the German, Belgian and other Continental firms tendered at a very much higher price. Then the question arose whether all the orders should be placed with Metropolitan Vickers or whether it was proper to give some orders even at a loss, to the three Indian firms who were making goods wagons. After all Government was

[Rai Bahadur Lala Ram Saran Das.]

good enough to give a part of the orders to Burn & Co., Jessops, and a third wagon-making firm at a considerable loss in order to keep them alive. Sir, I do not believe that Government should compete with private enterprise and turn out goods comparatively at higher than market price. If the first part of the Resolution is accepted it will mean that all the present firms in India making wagons will have to shut down their business.

The second point is that more than half the parts of a wagon are imported, the tyres, axles, springs, buffer springs, etc. With regard to these it is impossible to compete with Czecho-Slovakia, so far as my information goes even such parts of locomotives supplied by British firms are obtained from Czecho-Slovakia. Therefore unless the Honourable Chief Commissioner for Railways assures us that he will be able to turn out these wagons, if not at a lower cost, at least at the present market price, I cannot give my support to this part of the Resolution. But to me it seems that it is impossible under present circumstances, even when the Dickenson Committee's recommendations have been adopted, to turn out wagons at competitive prices.

Then I come to the second item of the Resolution. As far as my information goes there is already a pool of such wagons on all the State and Company-owned railways. So nothing new is asked for. My information is that such a pool is in force and that it is working well.

Then I come to the third point, the abolition of the Railway Clearing Accounts Office. My information is that the establishment of this office has resulted in economy. It is a sort of pool clearing office. It has proved its worth and therefore it ought not to be abolished.

Regarding the fourth item, I presume my Honourable friend Mr. Hossain Imam wants a cut in the salaries of the superior staff?

THE HONOURABLE MR. HOSSAIN IMAM : All staff.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : He says "All staff". If that is so I must differ as far as the low paid staff is concerned. I have at various times pleaded on the floor of this House that the lower staff is already poorly paid and cannot make both ends meet. But if he wants the cut to apply to the superior services I would certainly support him, because when the Government itself admits that the railways are run on commercial lines there is no reason why they should not run this commercial concern on commercial principles. And as regards the application of the cut to only those lines which run at a loss, I must say that the causes which make for loss or profit depend mostly on nature and on other circumstances beyond the control of the administration, and I think it would be unfair to apply the cut in such cases only. Suppose a crop fails in a certain province, or international prices do not admit of export, why should the railway employee in that area have his pay cut for no fault of his own, while the employee of another administration in another area where nature has been bountiful and God has given plenty would not be affected. Therefore, I think it would be unjust to apply it only to those lines which run at a loss. But, Sir, I am for the cut in salaries of officers if the cut is required in the interests of the general taxpayer.

With these words, Sir, I give my partial support to the Resolution.

THE HONOURABLE SIR A. P. PATRO (Nominated Non-Official) : Sir, the Mover of the Resolution no doubt has drawn the attention of the Government and the public to the fact that it will be possible to economise in the construction of wagons and carriages and also to adjust the accounts relations.

between the various railways. At present he thinks that the railway depreciation fund is not correctly made out and that it forms a source from which the deficit companies are freely supplied in order to show that they are able to contribute. For that reason he contends that the abolition of the Railway Clearing Office is very necessary, because while on one side railways show deficits in earnings at the same time they are able to contribute towards the depreciation fund many crores of rupees. This no doubt on the face of it seems to be an anomaly. But as has been explained by the Committee which investigated the whole matter, this accounting seems to be absolutely necessary. No doubt it is the desire of the Government and the desire of the general public that the railways should make as much profit as possible so that they may be able to contribute towards the central fund and the central fund may be in a position to help the provinces. This object is undisputed and it is the desire of every one interested in the economic and financial development of the provinces, but as provinces are at present constituted I am not enthusiastic to see that the centre should sacrifice its revenues for the purposes of helping the provinces which are, as I said on another occasion, throwing away their revenues wilfully on pursuing will-o'-the-wisp.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : What are the revenues to be sacrificed now ?

THE HONOURABLE SIR A. P. PATRO : The revenues to be sacrificed as at present are shown in the Budget. I draw the attention of the Honourable Member to the budgetary contribution, budget promise, so that provinces would be benefited by the central fund.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : The Honourable Mr. Hossain Imam's Resolution asks for economies in the railways and not for any sacrifice.

THE HONOURABLE SIR A. P. PATRO : The Honourable Member must have the patience to wait till I complete my argument and then begin his reply to it. Impatience will never help any one.

In order to effect economies in the railway administrations, the Railway Inquiry Committee has gone into every detail and it has been explained by the Railway Board in an Explanatory Memorandum as to which of the recommendations of the Committee have been carried out already and which they propose to carry into effect. One of the recommendations of the Committee was as regards the workshops that attention be given to the following matters :

“ The better planning and progressing of rolling stock repairs,
A better standard of supervision and training by European supervisory staff,
More immediate adjustment of stock to meet fluctuations in work,
Amalgamation of workshops for construction as distinct from repair of rolling stock,
and
Concentration of specialised work.”

Now, at present it is suggested that private enterprise is utilised for purposes of making these wagons and if on the other hand the workshops are developed, the profits that go into the pockets of private contractors would be available for the purposes of railway administration. It is a very doubtful

[Sir A. P. Patro.]

proposition, on the face of it, because from the recommendations of this Committee we see that there is to be a large capital expenditure in order to start the workshops to fit them for doing both repairs and construction in one shop. Then, if this new expenditure is to be approved, where is the gain, where is the profit? On the one hand we criticise the railway administration for paying high wages and paying high salaries for the purpose of maintaining the administration. If a similar standard is to be applied in the case of the workshops, we have to get according to that efficient and specially qualified European supervisors for the construction of these wagons. Therefore, it seems to me that as at present though supplies from private firms are unsatisfactory, until the Railway Administration is capable of equipping such a workshop as is recommended by the Committee, it is not possible at present to do it.

Then, the other suggestion in the Resolution is the imposition of cuts in the salaries of the staff of railways. Imposition of cuts is rather an easy suggestion to make, but administrative experience will show that the mere imposition of a cut in salary will not tend for economy in the long run or to efficiency in the administration. The standard of efficiency is no doubt not to be measured by the salaries we pay, but from the quality and quantity of the work turned out. In railway administrations we see that people are used to have a certain scale of salaries and it is an executive department. Therefore, necessarily you have to give sufficient encouragement and in the mechanical and technical departments you cannot possibly cut the salaries, because we cannot get qualified people for engineering, mechanical and technical purposes of railway administrations. In fact, most of the departments, except the running department, consist of expert advisers and except workers. You cannot train an expert in a year. If an engineer after five years is qualified to be taken into railway service, what should be the salary to be fixed for him? Is there any standard suggested? Therefore, it is very easy no doubt to suggest that salaries should be cut, but at the same time looking at it from the administrative point of view, it is not good economy to say that salaries should be cut.

Then, the other suggestion is the abolition of the Railway Clearing Accounts Office. I confess I do not know much of the working of the Railway Clearing Accounts Office, and therefore I am unable to offer any useful remarks, but as regards items (i) and (iv) I can definitely say that thereby the administration will not be improved nor can economies be effected in that way; economies cannot be so effected as would enable railways to contribute towards provincial funds. I am therefore of opinion that these suggestions made in the Resolution are of doubtful value and they have already been taken into account in the Memorandum in reply to the Report of the Committee. The Resolution therefore, while giving criticism and helping us to understand how the work is carried on, does not give any constructive suggestion in the matter of effecting more economies. The economies theory and the salaries theory do not stand the test of administrative examination and there is no other constructive suggestion that could usefully be thought of in the Resolution.

THE HONOURABLE SIR GUTHRIE RUSSELL (Chief Commissioner for Railways): Sir, it has been said that there is nothing new under the sun and my Honourable friend's Resolution is a proof of that. He has made no proposal which has not already been considered or which is not at present under consideration. He started off his speech by suggesting that the vigilance of the Finance Department was not as great as it used to be. I might almost say

that they are as great a nuisance as ever. I can assure the House that they are as vigilant as ever.

Now, Sir, I shall take his four main propositions. I shall deal with these in order and afterwards endeavour to deal with such other matters as have been raised in the debate. His first proposal is that we should build our wagons in our own workshops. There are two schools of thought on questions of this description. One school of thought is that railways should confine themselves to what is the main function, that is, the manufacture and sale of transport. The other school of thought is that railways should be self-contained and that they should compete with private enterprise in industries that are necessary and in industries ancillary to the railway industry, the manufacture and sale of transport. I do not propose to enter into the merits and demerits of these two different schools. But I would like to tell the House the history of the wagon-building industry in India. This is a long history but I shall try to deal with it in a very few words. About 1916 the Government of India decided as their policy that it should encourage the wagon-building industry in India. Previous to that date, as the House is aware, all our wagons came from abroad. The matter was discussed with certain firms and Government issued a communique that they would call for tenders in India and so long as they could obtain wagons of Indian manufacture at prices not greater than they were obtainable from abroad, orders would be placed in India. The first tender under these conditions was called for in 1920. However, it was not successful. The policy was again reviewed in 1924 when it was decided to have what was called a bounty scheme, which gave a preference to wagons of Indian manufacture, and Indian manufacturers were guaranteed 2,500 broad gauge wagons and I think 500 metre gauge wagons annually for 10 years, on this guarantee a new wagon-building firm was started, the Indian Standard Wagon Co. Burn and Co. invested additional money in plant; so also did Jessop and Co. In all the circumstances of the case, apart altogether from the merits, Government having encouraged these firms to put money into this industry, I do think Government would be guilty of a breach of faith if they now turned and started building wagons in their own shops so long as we can get wagons in India at a reasonable cost and I believe we are getting wagons at a reasonable cost today. Personally I doubt very much, if we built our own shops, whether we could produce wagons more cheaply than we can get them from private firms today.

Some Members may remember what is called the Stores Purchase Committee, this Committee recommended that railways should not compete with private enterprise and this policy was accepted by the Government of India and was communicated to the Railway Administration in 1923. At the same time, the Indian Engineering Association were informed that it was the policy of the Government of India to restrict the railway workshops to their primary function of dealing with the repair and maintenance of stock and equipment on the railways so far as this could be done in consonance with economy in the working of the workshops. Government in the main still adhere to that policy.

Now we come to the second proposition pooling of general service wagons of all State railways into one Indian State Railway stock and arranging for their repairs in the nearest railway workshop. Well, so far as traffic needs are concerned, the general service wagons of the broad gauge railways have been pooled for the last 25 years. So in that respect there is nothing to be done. Now we come down to the question is it possible to repair these in any shops throughout India? Now that may sound very simple, but it is not as simple

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as it looks. Before we had what are called the I. R. C. A. standard wagon and later on the I. R. S. wagon, every railway in India had its own standards. Now you cannot send a wagon into any shop because before you can repair the wagon you require the spares for that wagon, the standard spares. So, if any scheme is started, it must be confined to wagons of which all railways in the scheme hold a certain number, that is to say, what are called the I. R. C. A. and I. R. S. type wagons.

THE HONOURABLE MR. HOSSAIN IMAM : When was this started ?

THE HONOURABLE SIR GUTHRIE RUSSELL : Speaking from memory, the I. R. C. A. in 1912, and the I. R. S. about 1928. Now it depends on where your workshops are situated. We can tell the State railways, that is, the G. I. P. R., the E. I. R., the N. W. R., and E. B. R. to do this right away, but we cannot tell the Company-managed railways. However, I understand the M. & S. M. R. are quite prepared to come into a scheme of this description. That means shops in the north, in the east, in the west, in the south, and in the centre, and I think the scheme is possible, though we cannot tell definitely whether it will be a success or not till we have made an experiment, and it is proposed that an experiment on these lines should be made this year. But it is to be remembered that it does not pay to overload one workshop and keep another workshop working underload. For a workshop to be efficient it must have an even flow of wagons. The main economy to be effected will be the expected saving on empty haulage but it has still got to be proved that it may be more convenient to arrange for loading to a home line than to arrange for running empty to the nearest workshop. These are all things we hope to try out.

Now we come to the abolition of the Railway Clearing Accounts Office. It struck me that Mr. Hossain Imam did not know very much about the Railway Clearing Accounts Office. He seemed to suggest that the only function this Office had to perform was to arrange for the distribution of money among the different railways. This is entirely wrong. The Railway clearing house has at least four main functions. These are (1) to see that the fares and freight charged are correct ; and if not, to raise debits against the staff at fault or order a refund ; (2) to see that the collections are brought to account : this involves a complete check of the cash transactions with the Traffic Accounts ; (3) to apportion revenue between the different parties (this was the only one he referred to) ; and (4) to prepare statistics.

THE HONOURABLE MR. HOSSAIN IMAM : Will the Honourable Member state how many people are employed on each work ? That will show which is the main work.

THE HONOURABLE SIR GUTHRIE RUSSELL : If the Honourable Member will put down a question I shall endeavour to give him an answer. But I think he will find that the majority of people are not employed on the work he suggests. Now, all this work has got to be done by somebody, if we abolish the clearing house it has got to be done by the railways themselves. We have found that centralisation of the work has effected economies and we feel that any further economies to be effected should be, if possible, by the simplification of work in the clearing house itself and not by its abolition.

Finally, we come to the fourth proposal, which is the imposition of a cut in pay on the staff of railway administrations running at a loss. I think I

can say right away that, if the time ever comes when Government have to again consider the imposition of a cut in pay, no attempt will be made to differentiate between different railways—between the railways earning a profit and those said to be running at a loss. I think such discrimination would be manifestly unfair.

THE HONOURABLE MR. HOSSAIN IMAM : Because they are uncommercial concerns.

THE HONOURABLE SIR GUTHRIE RUSSELL : If the Honourable Member will wait, I shall explain. There are undoubtedly certain ways in which the staff can increase the net earnings of a railway, such as by efficiency, contentment, and in other ways. But there are many, very many, factors which are quite beyond the control of the staff. One of the most important is the monsoon. The staff cannot control the monsoon, they cannot control commodity prices, they cannot control the international situation, they cannot control the Government's fiscal policy. They have no control over competitive modes of transport. Any one of these or any two combined may turn a profit into a loss. Then again, a railway like the E. I. R., which runs through level country and which has been cheap to construct has a very much better chance of earning a profit than say a railway like the A. B. R. which runs through mountainous and difficult country and which has been costly to construct. Is it fair that the staff of the A. B. R. should be placed at a disadvantage as compared to the staff of the E. I. R. ? Actually, I believe I am correct in saying, that already the level of salaries on the A. B. R. is lower than on the E. I. R. A somewhat similar situation arose about 1914. Before that date, the Provident Fund bonus depended on the profits earned by railways. Some railways, like the E. I. R., were paying a 100 per cent. bonus whereas other railways were paying about 75 per cent. Government then decided that it was absolutely unfair that the staff should be penalised for what was entirely outside their control and from about 1914 onwards 100 per cent. bonus has been paid by all railways, and all railways in this respect have been treated exactly the same. I trust the Council will agree with me that if a cut in pay ever comes, there can be no differentiation between railways. But is there any reason why railways should be signalled out from among other departments of the Government of India for a cut in pay ? We have State-owned and State-managed railways—even the Company-managed railways are State-owned and their servants are *quasi*-Government servants. Is there any reason why any railway servant should be signalled out from other Government servants ? I have nothing further to say on this question than to refer the Honourable Mover to what was said by the Honourable the Railway Member on the debate on the Railway Budget in the Lower House last month.

There is one other point which I could not quite understand. The Honourable Mover said that if we handed the strategic railways over to the military authorities, all our difficulties would be solved. It certainly might help the appearance of the Railway Budget. But, after all, the Defence Department would be required to have an administration for these railways, and this would increase the total overheads and the losses of the Government of India. As I have said it might improve the appearance of the Railway Budget, but, so far as the general taxpayer is concerned, there would be a greater loss and a very heavier burden.

As regards my Honourable friend Mr. Sapru, he said quite frankly that he had listened to Mr. Hossain Imam's remarks and proposed to say exactly the same thing in different language, and he succeeded. There was one thing

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that rather cheered me, and that was that I got a certain amount of support from my Honourable friend Rai Bahadur Lala Ram Saran Das. It is very seldom that this happens. I entirely agree with him that the building of wagons in railway workshops would be a gamble. As I said, the probability is that it would cost us more than what we are paying for them now. He also supported me as regards the Clearing Accounts Office. But he only gave me partial support as far as cut in pay was concerned. He agreed that it was quite impossible to differentiate between railways, but he wanted a cut in pay. I do not think there is very much difference between what I have said and what my Honourable friend Sir A. P. Patro has said. I do not think I need add anything more except to say that I oppose the Resolution.

THE HONOURABLE MR. HOSSAIN IMAM : Mr. President, I need not take up much of the time of the House in dealing individually with the criticisms that have been made of my Resolution. Suffice it for me to say that I find that the Leader of the Opposition and the head of the Railway Administration both agree in regarding the Railway Administration as less efficient than private enterprise and as being more cumbersome and more expensive than other persons who take due care of their moneys. It is some confession, Sir, and I regard it as a great merit of the Leader of the Opposition that he has drawn this confession from the head of the Railway Administration, that the railways are inefficient, and that they are not able to manufacture as cheaply as the private firms speaks of the amount of control that is exercised by this Department. The Chief Commissioner asked why the railways should be signalled out from other Government Departments for a cut in salary. That also shows the mentality of the Railway Administration, that it regards itself not as a business concern with a competitive spirit, but as a *quasi*-Government administration which need not bother its head about profit and loss, but which is there to live on the profits of others and does not care what happens to its profit side. Sir, the question whether the manufacture of wagons will be a gamble or not a gamble can only be decided after you start manufacturing. We know that one of our colleagues, in the course of the railway discussion, suggested the utilisation of welding as a method for reducing the cost of wagon construction and for the construction of component parts of a railway goods wagon. These things are being done in private firms by new investment on new plant. The old plant which was able to manufacture on the old basis will not be of service now, and as an experimental measure the Government have placed orders for a dozen wagons of the welded type, half to be fully welded from head to foot and half to be of partially welded type. Orders have already been placed in the last financial year. We do not know when they are likely to come on the line. But I should like to say one word. I think the old theory of entrepreneur being the head of a commercial concern is vanishing. Take, for instance, the United Steel Corporation or the General Motors, they are not run by the people who have invested their money, but by people who are paid employees, because commercial concerns in the modern world are too huge for one person to finance. It was all right during the last century. But if such commercial concerns can be run by paid employees, why should not a Government Department, if it is regarded as a commercial concern, be run on the same lines? We find in several places they are able to compete with others. Government commercial concerns should also take it into their mind once and for all that they are not Government concerns. They must be prepared to work on the competitive basis or go under. This trouble arises because of the security which they

have that no one will ask questions, and even those who ask questions have not the power to do anything. And this is the centre of inefficiency.

The Honourable the Leader of the Opposition went into details as to why wagons could not be manufactured. One of the reasons was that most of the competent parts are imported. Now, we had a discussion on this subject and the possibility of having requisite steel in India from scraps has not yet been investigated by the railway administration. If it is investigated it may be found to be possible to manufacture basic steel goods. The fact we are importing certain goods is no justification for giving this manufacture into private hands. Now, the Honourable the Chief Commissioner has further exposed that the assurance given to the private manufacturers was a guarantee of certain orders for 10 years and no guarantee for a further period. But I never asked that you should stop giving contracts. I scrupulously took care to say that on the analogy of the action taken in regard to the supply of railway coal we should have a check in regard to supply of wagons. The Honourable the Chief Commissioner was conveniently silent on this question.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : The guarantee was not adhered to after 1926.

THE HONOURABLE MR. HOSSAIN IMAM : Then if you broke it so early in the day, what is the deterrent force now ? I do not want you to break it. Give them a guarantee. If the new method of welded stock is adopted, even these private companies will have to import some new machinery. Why not import it yourself ? Well, I will not go into details. I would simply like to say one word. The Chief Commissioner has himself confessed that repairs in individual workshops are not difficult because one of the stocks has been in existence since 1912 and the other was ordered in 1928.

THE HONOURABLE SIR GUTHRIE RUSSELL : I said from 1912 up to 1928 and from 1928 up to the present day.

THE HONOURABLE MR. HOSSAIN IMAM : Therefore I say that the standard will be found in almost all railways. If that has been the standard from 1912 to 1928, 16 years, it is inconceivable that any railway would be without stock of that nature. So, if the stocks are available it is all the same whether it is the M. & S. M. R. wagon or the G. I. P. R. wagon. Sir, he was very emphatic that the Government will not differentiate between the losing and gaining railways, but will he tell us what he proposes to do when the employment taxes are realised from railway employees in Bihar and the United Provinces ? How is he going to equalise that burden ? Has he thought over it or is he prepared to dip into the pockets of the Government of India and make up those losses ?

THE HONOURABLE SIR MUHAMMAD YAKUB (Nominated Non-Official) : The authority is here in Delhi to decide such matters.

THE HONOURABLE MR. HOSSAIN IMAM : This shows that the Government is unwilling to do anything until it is forced to do it, and here you are forced to differentiate. By persuasion you will not do anything but by force you do things.

THE HONOURABLE SIR MUHAMMAD YAKUB : The matter will come to the Federal Court.

THE HONOURABLE MR. HOSSAIN IMAM: Government has not yet said that it is going to fight.

THE HONOURABLE SIR MUHAMMAD YAKUB: You want them to commit themselves?

THE HONOURABLE MR. HOSSAIN IMAM: I want them to state what they are going to do. Now, Sir, I will close with the remark that the railways are suffering from the trouble that they regard themselves as Government departments, and as long as they suffer from this they will be inefficient and uneconomic and always running at a loss.

THE HONOURABLE SIR GUTHRIE RUSSELL: There is only one thing I wish to say. I think about 50 per cent. of the wagons could be dealt with.

Another point. If the Honourable Mover condemns railways because we consider that a thing which is entirely outside our main function, which as I said is the manufacture and sale of transport, can be done by private agency more cheaply than by railways, I am sorry for him, not for railways.

THE HONOURABLE THE PRESIDENT: The Question is:

"That this Council recommends to the Governor General in Council to investigate into the ways and means for increasing the contribution of the railways to the general revenues and also specially into the following methods:

- (i) construction of goods wagons in railway workshops;
- (ii) pooling of general service wagons of all State Railways into one Indian State Railway stock and arranging for their repairs in the nearest railway workshop;
- (iii) abolition of Railway Clearing Accounts Office; and
- (iv) imposition of cuts in salary of the staff of the railway administrations running at a loss".

The Motion was negatived.

RESOLUTION *RE* REPLACEMENT OF THE ROYAL AIR FORCE BY AN INDIAN AIR FORCE.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern: Non-Muhammadan): Mr. President, I beg to move:

"That this Council recommends to the Governor General in Council to secure the replacement of the Royal Air Force by an Indian Air Force and to take immediate steps to build up reserves for the Indian Air Force in sufficient numbers to meet an emergency."

Sir, the Resolution does not ask for any change either in the present strength of the Air Forces in India or in the training that is now given to commissioned officers. The Air Forces in India consist of an Indian Air Force squadron and, roughly speaking, eight R. A. F. squadrons apart from the Bomber Transport Squadron. The Budget for 1939-40 provides among other things for 242 British commissioned officers and 1,884 British airmen for the Royal Air Force. Now, my Resolution asks that steps should be taken to expand the Indian Air Force and diminish *pari passu* the Royal Air Force, so that in course of time the Royal Air Force may become unnecessary and all such duties as it may be necessary to perform for the aerial

defence of India may be undertaken by the Indian Air Force. No question of Indianisation arises in this respect. I am certainly keenly interested in that question, but so far as the replacement of the Royal Air Force by Indian air units is concerned, that question does not arise at all. The officers may continue to be British and yet the Air Force may be Indian. Take the Army in India. It consists of two sections, the British section and an Indian section. The Indian Army is Indian only so far as the lower personnel is concerned. The commissioned officers are almost exclusively British. Yet the Indian section of the army is constitutionally under the control of the Government of India. Similarly in the case of the Air Force, it is possible to have an Indian Air Force equal to the combined strength of the present Air Forces in India without waiting for the time when India will be able to provide all the officers needed to man her air squadrons.

I shall, Sir, give a brief history of the establishment of the Air Force in India in order to show that but for certain circumstances India would have had an air force of her own. The attention, the serious attention, of the military authorities was directed to the potentialities of the air arm about the year 1912. Soon afterwards it was decided to form an Indian flying school. Arrangements were made for starting the school in the deserted cantonment of Sitapur in the United Provinces. The officers of the Indian Army who had learnt flying at their own expense provided the staff required for this flying school. Mechanics and aeronautical material were got from England. Unfortunately the Great War intervened at this stage and owing to the need for employing every person possessing the requisite qualifications on active duty, the school was not started. Perhaps if the authorities had known how great would be the demand for trained officers, they would have decided to continue the school notwithstanding the immediate needs of the various theatres of war. It is however clear, Sir, from what I have said that it was contemplated that India should be able to train her own officers and that she should have an air force of her own. There is another circumstance also, Sir, which bear out the same view. The staff that was to take charge of the air flying school undertook active duties in the field. It was able to form an Indian flying unit which saw active service with the Indian Expeditionary Force in Egypt. The Mesopotamia Expeditionary Force also was able to avail itself of the services of men partly trained in India and partly released from Egypt. This development had not gone far when it was felt by His Majesty's Government that the arrangements for the supply of the personnel required at the various fronts should be centralised and the first detachment of the Royal Flying Corps arrived in India in December 1915. Had this decision not been taken I have no doubt that men would have continued to be trained in India, that more Indian flying units would have been formed and that at the end of the war we would have had the nucleus of an Indian Air Force of the future. These two illustrations, Sir, show what the policy of the Government of India was in the past and what would have happened but for the Great War.

After 1918, Sir, when the war was over, the strength of the Royal Air Force was increased. A second squadron arrived here. In 1919 four more air squadrons were added and a year later two single-seater squadrons were similarly added. We had thus eight R. A. F. squadrons. Subsequently owing to financial stringency the force was cut down to six squadrons. About 10 years ago, the strength of the force was again raised to eight squadrons. But during this period no attempt was made to raise an Indian Air Force, because, notwithstanding the removal of the bar against the appointment

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of Indians as commissioned officers in the infantry and cavalry, they were not admitted into the artillery and the air force till after the Skeen Committee reported. If the Government of India had pressed after the war for the establishment of an Indian Air Force and had not been content to depend entirely on assistance from the Royal Air Force, I have no doubt that notwithstanding the adverse effect exercised on the development of military aviation in India by the Great War we would have been able to have a respectable Indian Air Force by now. Nothing has, however, yet been lost. If the Government of India are serious about it, they can well take steps to enable India to depend completely on her own Air Force.

This question, Sir, as I have already pointed out, does not depend on the training of Indian officers. The officers may all be British and yet there may not be a single unit of the Royal Air Force in this country. But I am keen, Sir, on the Indianisation of such Air Forces as we may have in this country. I shall therefore be asked what facilities there are at present for the supply of the higher personnel that the expansion of the Indian Air Force would require.

We have been told several times, Sir, that the Indian Air Force is not attracting the youth of India and that great difficulty has been experienced in obtaining the requisite number of qualified young men. I obtained figures on this point the other day from the Defence Department. I find from them that examinations were held in 1933, 1934, 1936 and 1938. No examinations were held in 1935 and 1937. In the four years that examinations were held, 142 candidates appeared. Of these, 23 were successful. The total number of vacancies offered in these years was only 10. Now, two conclusions may justifiably be drawn from these figures. One is that, although the number of candidates appearing for the Indian Air Force examination was not small, the number of successful candidates was relatively speaking deplorably inadequate. Nevertheless, it is clear that the number of successful candidates was substantially larger than the number of vacancies offered. It is true that there was no keen competition, that the number of candidates was only a little more than twice the number of vacancies that were offered, but at any rate the figures show that the complaints that have been made in the past with regard to the insufficient supply of suitable candidates has been exaggerated to a certain extent. I should like more qualified young men to take part in the Air Force examinations. I should like that the competition should attract a larger number of young men and that there should be keener competition for the vacancies that are offered. But that notwithstanding, it must be recognised that so far there has been no difficulty in obtaining the number of men that were needed.

THE HONOURABLE LT.-COL. SIE HISSAMUDDIN BAHADUR (Nominated Non-Official): They are not coming forward. Last year I was on the Committee and with difficulty we found one person.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Well, I have placed all the figures before the House. We cannot go by the experience of one man or what might have happened at one examination. The figures before us, which have been supplied by the Defence Department, show conclusively that, notwithstanding the unfortunate experience of individuals, the results taken as a whole, though not such as we might congratulate ourselves on, are sufficiently encouraging for the future. Even as regards the

year 1938, Sir, I gather from the information supplied to me by the Defence Department, that 28 candidates appeared, of whom six were successful while the number of vacancies offered was only three. Again, I must say that the competition was not keen. But surely the figures that have been given to me do not show that the number of successful candidates was less than the number of vacancies available.

I have shown, Sir, that complaints with regard to the absence of suitable material seem to me to be exaggerated. But I shall now assume that the Indian Air Force is not attracting young men of suitable qualifications in adequate numbers. What should we do then to supply the material that is needed? Sir, the Interview and Record Board for the examination which took place in March and April, 1938 dwelt on this point. Its remarks ought to be noticed by this House.

"The Board think", says the Report of the Interview and Record Board, "that it is urgent that steps should be taken as early as possible to have some instruction in what life in the Air Force means imparted in schools and colleges so that if possible the youth of the country may be induced to become more air-minded".

And again further on, the Report says :

"The Board consider that propaganda in schools and colleges is necessary in order to popularise all the defence services and should be instituted without delay".

Now, what is the action that the military authorities have taken on this recommendation? They come forward from time to time and complain of the paucity of suitable material. But have they ever taken any steps either in connection with the army or any other arm to carry on suitable propaganda of the kind that was carried on at the British Universities in connection with recruitment to the Indian Civil Service in order to attract more young men? Had they been in earnest they would certainly have taken some such step. But their failure not merely to carry out our suggestions on this point but even to carry out the recommendations of their own Board shows that they are not disposed to take active steps in order to increase the supply of suitable material.

I may here be asked, Sir, how Government can compel the schools and colleges to impart instruction regarding life in the Air Force. No compulsion need be brought on any educational institution in the matter. If the military authorities were prepared to supply lecturers, I have no doubt that the school and universities would be only too glad to avail themselves of their help. See what is happening in England today. Various steps have recently been taken in order to create reserves of pilots and airmen for the Royal Air Force. A beginning has been made with the familiarisation of school boys with the requirements of the Royal Air Force. School boys cannot be admitted into the Air Force. But measures have been taken to familiarise them with aero-

planes, with their machinery and with the general requirements of the air service. Again, air squadrons have been started by three Universities, the Universities of Oxford, Cambridge and London. There is a pretty large number of Universities in the United Kingdom, but the three principal Universities have been chosen for the formation of air squadrons. The Armaments Year Book states that the object of the air squadrons is—

"the influencing of the flow of candidates for commissions in the regular Air Force, the Air Force Reserve and the Auxiliary Air Force, and the stimulation of interest in air matters", etc.

These air squadrons have no liability for Air Force service, yet they are provided with opportunities for gaining actual experience with the Royal Air

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Force. Again, Sir, it appears from the information that has been supplied to me by the Headquarters of the Air Forces in India that this organisation, i.e., the air squadrons at the Universities, has proved extremely popular and from the point of view of the R. A. F. very valuable as a means of recruiting educated young men. The strength of the University squadrons varies, but very often it seems it exceeds a total of 100 members. It is further instructive to note that "all instructors are provided by the Royal Air Force and the cost of these instructors, the equipment, both ground and air, and the aerodrome buildings are a charge against the Air Force votes". What is there to prevent the military authorities in India from following in the footsteps of His Majesty's Government and adopting the measures that have found favour in England to increase air-mindedness among Indians? Some further steps also have been taken in England in order to create a reserve of pilots and airmen. A Civil Air Guard has been established and it is the duty of the Flying Clubs to train members of the Civil Air Guard. They are given special subsidies in order to enable them to undertake the training of pilots. It is true that this is a duty which is not undertaken by the Royal Air Force. But, as Honourable Members doubtless know, the Air Ministry in England controls aviation, both its military and its civil aspects. In any case, reserves of trained men are being created not for civil but for military needs. If the military authorities here take an interest in the matter and impress on the authorities the importance of creating a suitable reserve of trained personnel in India, I have no doubt that the Government of India too would, by helping in the establishment of more Flying Clubs or increasing its subsidies to them, be able to provide us with more opportunities for receiving instruction in flying than there exist at the present moment.

THE HONOURABLE THE PRESIDENT: Please bring your remarks to a close. You have exhausted your time.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Sir, I will refer just to one thing more. In various countries, another form of flying has been greatly encouraged in order to interest the general population in flying and to familiarise it with the general requirements of both civil and military aviation. The form which this activity has taken is the encouragement of what is known as gliding. This was at first adopted in Germany when the Versailles Treaty prevented it from having an adequate Air Force of its own. But, since then, it has become popular in other countries including Great Britain, France and Russia. It is being encouraged in England through the Gliding Club, and I understand also through the Royal Aero Club. The Gliding Club receives a subsidy from Government which it distributes among the Flying Clubs all over the country. This again is a duty that has not been undertaken by the Royal Air Force, yet it ought to be understood that gliding is being encouraged largely for military purposes and that it is not primarily the needs of civil aviation that has led the more important Governments in Europe to lay stress on its importance. A great deal of attention has been devoted to it, and money is spent on it in order that the Royal Air Force may be able to replace the heavy wastage that is bound to occur in a big war. Here unfortunately non-official efforts to introduce gliding have received no encouragement from Government although it is specially suited to a poor country like India.

Mr. President, there are other suggestions on the subject that can be made, but those that I have placed before the House are sufficient to show that practical measures can be taken by Government, if they are at all serious

about the matter, to encourage flying in India and to obtain a larger supply of suitable material for the Indian Air Force than is available at the present time. India, we desire, should at any rate in the initial stages depend for her protection entirely on her own Air Force, but I am afraid that the policy that His Majesty's Government are now following will delay the achievement of our desire. His Majesty's Government are now giving us an annual contribution of £2,000,000. They have further promised to make a large contribution for the mechanisation of certain units of the Army in India and for the reequipment of the R. A. F. units. It would be deplorable if because of these contributions we allowed the aim that we should always keep before ourselves to be lost sight of. We should obtain economy by reducing British personnel progressively and replacing it by Indian personnel and not by relying for financial aid on His Majesty's Government. For this question, Sir, is not merely one of finance; it is a question which has a vital bearing on our self-respect and constitutional development. In view of this I strongly commend my Resolution to the House and I hope that His Excellency the Commander-in-Chief will be able to announce some constructive steps which the Government of India are prepared to take to remedy the deficiencies which he has complained of.

THE HONOURABLE THE PRESIDENT: As this is the last Resolution today I propose not to trouble the House to come back after lunch and I propose to finish the Resolution now.

THE HONOURABLE MR. M. N. DALAL: I would like to speak for five minutes.

THE HONOURABLE THE PRESIDENT: You can speak after His Excellency has replied.

THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA: There are several Members on these Benches who wish to speak.

THE HONOURABLE THE PRESIDENT: Well, you can all speak. I shall sit till 2 P. M. or later.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I have listened with great attention to the speech of the Honourable Mover, who, if I may say so, always speaks well and to the point. It is clear to me however that he has not realised the full implications of his Motion. Let us see first exactly what the substitution of an Indian Air Force for the existing Royal Air Force in India would mean in terms of personnel calculated on the basis of the present establishment. The following new Indian units would have to be created:

- 4 Army Co-operation Squadrons,
- 4 Bomber Squadrons, and
- 1 Bomber Transport Flight.

To man these squadrons and the necessary administrative units would require the services of some 253 officers and 1,857 airmen. Many of the officers would be filling positions of responsibility where a prolonged experience of flying and administrative duties would be required. Though the quality of the candidates who come forward for the Indian Air Force is usually good, the numbers are small. Supposing, however, that the number of officers could be recruited, they would necessarily lack the experience to enable them to fill the higher operational and administrative appointments. It is clear that

[His Excellency the Commander-in-Chief.]

we cannot completely Indianise the eight Royal Air Force squadrons in India in a short space of time and any opinion to the contrary must be based upon a failure to appreciate the magnitude of the training and administrative problems involved. The average squadron commander has not less than 12 years' service behind him and, in the more senior ranks, 25 or even 30 years. We are, however, as the House is aware, already endeavouring to create a nucleus of officers and airmen who, in course of time, will have this experience and I can announce to the House that it is my intention as soon as this nucleus has shown its worth to proceed to a further development of its numbers. Two flights of the first Indian Air Force squadron are completed and the third is approaching completion, and when this squadron is filled up I propose to start the Indianisation of another squadron. That is however as far as I can go at present.

I now wish to turn to other aspects of the case. From the financial point of view the question of overhead charges must be taken into account. At present the training of the Air Forces in India is carried out almost entirely by His Majesty's Government whose large resources in flying schools and educational establishments can easily cope with our requirements. It is very doubtful indeed, however, if His Majesty's Government would maintain at its own charge the training facilities for a purely Indian Air Force and it may be taken for granted that we should have to make very considerable payments under this head. If, on the other hand, we attempted to do our own training, we should be forced to build up in India resources comparable to those available in England. This would involve Indian revenues in expenditure which would be totally unjustifiable in present circumstances.

I have heard it suggested that the Indianisation of the Air Forces in India would effect a very large saving in cost but this idea is not borne out by the facts. The pay and allowances of the personnel of a squadron form a very small part of the annual cost which arises mainly from the value of the aircraft, aircraft spares, transport and machinery. The difference between the annual cost of a Royal Air Force squadron and a comparable Indian Air Force squadron would be almost negligible.

Finally, it must be remembered that it would be extremely difficult to keep a completely Indianised Air Force up to date in technique and equipment. This is due to the fact that the Air Forces in India paid for by the Indian taxpayer must necessarily be small. The Air Force, as has been pointed out in this House before, is an extraordinarily expensive service; in fact nowadays its cost is comparable to that of the Navy. This year His Majesty's Government are spending £205,000,000 on the Royal Air Force alone, which is nearly three times the amount of the whole of the central revenues of India. A fighter or army co-operation aeroplane nowadays costs Rs. 1½ lakhs, a medium bomber Rs. 2 to Rs. 2½ lakhs, and a heavy bomber as much as Rs. 3 lakhs. It is no use having large numbers of trained pilots if you have no aeroplanes for them to fly and the ground organisation to keep the aeroplanes in the air. In war conditions, moreover, losses of aircraft are apt to be very heavy indeed and for a squadron to remain in the air requires not only a reserve of pilots but a reserve of 200 per cent. of aircraft. These few simple figures should, I think, be sufficient to show the House that any idea of a large Air Force is, in the financial circumstances of this country, not at present a practicable proposition. With a small Air Force there would not be sufficient turnover of personnel and no real contact with a rapidly developing Air Force in the United Kingdom. This would mean that the Air Forces

in India would not be up to the standard required to meet any first class power that may threaten the country. By employing a percentage of British squadrons we are assured not only of modern equipment being made available but also of modern ideas being employed in training and tactics and further that, should it be necessary to reinforce at any time this small Air Force with the great resources of the Metropolitan Air Force, there would always be available a number of Royal Air Force officers who have had practical experience of the conditions of flying in India and on its borders.

What I have said regarding the regular Air Force applies equally to the creation of a reserve. I have already indicated that it is no use having large numbers of pilots without the machines and there is, therefore, no object at present in building up a *large* Indian reserve of pilots. We do, however, regard with the greatest interest the progress of the flying clubs all over India and the keenness shown by young Indians for civil aviation. Government is doing all in its power to encourage by subsidy and by other forms of assistance a healthy growth of club and private flying which it regards as a value potential source for reserve pilots in war time.

For the reasons I have given, therefore, and bearing in mind that we have as yet no more than a promise of efficiency but a good one from the existing Indian Air Force squadron, I feel that I am fully justified in proceeding with the present policy of a gradual development of the Indian Air Force. We cannot hope for a large one but our present policy is calculated to ensure that what will be there will be good and I can already say that the auguries seem very hopeful.

Sir, I have no choice but to oppose the Resolution.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadian) : Sir, the importance of air armaments in modern times in any country which desires to defend itself properly is undeniable. In view of the problems of self-defence facing India on all her land and sea frontiers, the importance of an air force organised, controlled and commanded by the authorities in India itself, can hardly be questioned. We need an Indian air force as an integral part of our defence equipment, not only to maintain our organisation for national defence, but also to familiarise aspiring Indians devoted to the service of their country, in all the incidental operations of modern warfare.

It is unnecessary to point out, Sir, that the requirements of armaments are most intimately connected with the normal requirements of the same kind in peace time. The industry which would maintain, and if possible produce the necessary equipment for an Indian air force for use both by land and sea, would also be serviceable in producing the means of civil aviation and ordinary commercial transport by air, creating an avenue of employment for Indian capital and labour. We must therefore lose no time to build up the necessary industry at the same time to equip and maintain our own independent air force. I consider its importance to be essential, as an advancement to our entire industrial organisation, and as an integral part, therefore, of our national economy which can no longer be ignored.

Coming now to the political aspect of this problem raised by Pandit Kunzru, unless and until we have an independent air force of our own, unless and until we have a separate organisation of that part of our defence equipment which should function independently, we shall never be self-sufficient and self-reliant in such vital matters affecting our very existence as a nation.

[Mr. M. N. Dalal.]

This does not mean, Sir, that, by maintaining our own independent self-contained and self-sufficient air force, we shall refuse to co-operate in moments of emergency with the corresponding forces of the Empire as a whole. So long as we are part of the Empire, we must willingly join in the battles of the Empire. To me, Sir, the problem of organising and co-ordinating the resources of the Empire, in a crisis like the one we are only recently weathering, is a matter not so much of military tactics, but a problem in high imperial policy. Those who have to conduct the affairs of the Commonwealth should keep every unit of the Commonwealth not merely contented, but voluntarily inclined to regard the problems of the Commonwealth as also the problems affecting itself. This consciousness of identity with the Commonwealth as a whole will never dawn in a country like India so long as the feeling of being dictated by Britain in the policy and expenditure of our defence continues to affect our people.

I would, therefore, invite the powers-that-be, on this occasion as in all cognate questions, to realise India's viewpoint, to appreciate her strength and the potentialities of her contribution to the cause of the Commonwealth. India is asking for her own self-respect at home, and independence as a unit willingly forming part of the Commonwealth, which should be recognised and accorded. I trust this debate will serve to open the eyes of the Government to the larger issues involved and I hope, even if we do not succeed in impressing upon the Governor General in Council the wisdom of accepting this Resolution and acting upon it, the lesson contained in the debate will not be lost.

While supporting the principle underlying this Resolution, I must make it clear that my support is only with respect to the possibility this Resolution involves of our having an independent air arm of our own, and secondly, because of the necessity such an organisation would involve in having connected industries established in this country for equipping and maintaining efficiently such an air arm. On the matter, therefore, of the policy of an independent air organisation of our own, and of the benefit of consequent industrialisation flowing therefrom, I am at one with Pandit Kunzru. But so far as the latter part of the Resolution might involve an increase in the total of defence expenditure, I have to sound a note of warning. It is, of course, not unavoidable that, by organising our own independent air force, we should necessarily add to the total defence expenditure. If Government would only take Indian opinion into its confidence, it may be quite possible that we may succeed in so re-distributing the different items of expenditure, that even if the Indian air arm is independently organised as a self-sufficient unit, with a due complement of reserves, the aggregate expenditure on the whole of our defence would not be greater than we can easily support. But, as that is not the central problem raised by this Resolution, at least as I have conceived it, I find no hesitation in according my full support to it.

THE HONOURABLE SIR DAVID DEVADOSS : (Nominated Non-Official) : I move, Sir, that the Question be now put.

THE HONOURABLE THE PRESIDENT : I would like to know how many Honourable Members desire to speak ?

(Three or four Honourable Members rose in their seats.)

The Council then adjourned for Lunch till a Quarter to Three of the Clock.

The Council re-assembled after Lunch at a Quarter to Three of the Clock, the Honourable the President in the Chair.

STANDING COMMITTEE ON EMIGRATION.

THE HONOURABLE THE PRESIDENT: Honourable Members, with reference to the announcement made by me on the 16th March, regarding nominations for election to the Standing Committee on Emigration, I have to inform the House that the Honourable Rao Bahadur K. Govindachari has since withdrawn his candidature. As there now remain the following four candidates for four seats I declare them duly elected:

1. The Honourable Saiyed Mohamed Padshah Sahib Bahadur.
2. The Honourable Mr. Ramadas Pantulu.
3. The Honourable Pandit Hirday Nath Kunzru.
4. The Honourable Rai Bahadur Lala Ram Saran Das.

THE HONOURABLE THE PRESIDENT: The debate will now proceed on the Resolution.

THE HONOURABLE RAI BAHADUR SRI NARAIN MAHTHA (Bihar: Non-Muhammadian): Mr. President, I rise to give my whole-hearted support to the Resolution so ably moved by my Honourable friend Pandit Hirday Nath Kunzru. The Resolution is a modest one, and I dare say a much more modest one than His Excellency the Commander-in-Chief thought it to be. The Resolution, Sir, is inspired by the natural urge of a people to defend themselves. It does not ask Government, as perhaps His Excellency the Commander-in-Chief thought, to convert the Royal Air Force into an Indian Air Force all at once. It only wants Government to keep that as the ultimate objective in view and to secure the recommended conversion by the speediest methods possible. It also asks Government to take steps to build up reserves for the Indian Air Force in sufficient numbers to meet an emergency. These two demands, to my mind, in spite of what His Excellency the Commander-in-Chief has said, should be the objective of any national Government and this Government which makes a pretence of governing India for the benefit of Indians cannot very well rise up and say that it would be dangerous to adopt such a policy and that, as His Excellency the Commander-in-Chief said, only a very meagre change can be effected. The Government cannot simultaneously run with the hare and hunt with the hound.

Taking the modern methods of warfare into consideration the air arm is certainly the most important arm. For bombardment, for reconnaissance, for counter air attacks, for taking air photographs and thus disclosing accurately the position and movements of the enemy, the air arm is the only arm capable of being relied on. It is also, I submit, Sir, the most economical, as it does not require the maintenance of the same land lines of communication. Although, so far, the air arm has mainly been an auxiliary to the army, I would personally even advocate its adoption and development as a primary and independent weapon in substitution, to a very large extent, of the ground troops. But that, Sir, is really a problem for military experts and I would not dilate any further on that point.

One of the main objections which His Excellency the Commander-in-Chief put forward against the request contained in the Resolution was that

[Rai Bahadur Sri Narain Mahtha.]

the proper type of material for manning these forces is not available or is not coming forward in this country. His Excellency the Commander-in-Chief said that a large number of officers would be necessary and these will not be available in India. This excuse, Sir, is like giving the dog a bad name and then trying to hang him. I would ask Government, what steps they have taken to make the people, the youths of India, air-minded, or, for the matter of that, fit for military pursuits? They have not allowed the Indians even to possess arms freely. They have confined recruitment to certain areas and certain classes only. Well, all this must certainly have its enervating effect on the martial tendencies of a nation and are certainly not indications of the fact that Government is aiming at making this country fit to defend itself independently. In the United Kingdom, students get their training in flying in the Universities. The result is that the civil population of the country gets initiated and accustomed to the experience of flying. Flying, Sir, is an abnormal pursuit for a human being. It has very different physical and psychological effects on the human constitution than any other mode of movement. Could not the Government of India by introducing even gliders in colleges, if not in schools, help to attract the rising generation towards flying and ultimately, after due training, to turn out good reservists for the Air Forces? Government have taken no such steps to encourage air-mindedness in the people of India. The University Training Corps have had very meagre encouragement from Government and I can even say that they have always been looked upon with disfavour. The facilities for the training of Indians for air defence have been very inadequate and the Indian Air Force including, of course, the Royal Air Force, is manned almost entirely by non-Indians. Ordinary prudence as well as our fundamental national requirements demand that our air arm should be considerably strengthened and that Indians should be recruited and trained in larger and larger numbers. His Excellency the Commander-in-Chief today mentioned the progress that Indianisation was to make during the coming few years, and this, Sir, was very unsatisfactory. It is a fictitious plea that India cannot produce an adequate number of men necessary for air defence. The example of other countries of the world will show that when sufficient encouragement was offered, more than the required number of men were found. The example of Germany is before every one's eyes. The German Army and Air Force have attained their present eminence and supremacy only during the course of a few years. How was this made possible? The German Government inspired the people of Germany with the feelings of patriotism and were determined to make the Germans good soldiers and good aviators and now we see the results of that policy. Germany is fully armed against all odds. I have cited the example of Germany not in any sympathy with her Nazi policy but only to show how a people can be trained and a country can be armed with the help of native material, if the Government of the country shows the will to do so.

While the Royal Air Force is entirely British in personnel, the Indian Air Force is also partly British, as it contains two British officers and 27 British airmen. It is evident, therefore, that the Indian Air Force is merely an apologetic part of the Air Force of the country, or what goes by that name. Our final aim should be to gradually, but speedily, replace by Indian the entire British personnel of the Air Force by replacing the Royal by Indian Air Forces, and in the meantime to Indianise the lower personnel. The Mover of the Resolution has considerably moderated his demand on this point by saying that the question of Indianising the officer ranks may be left over for the time being. His Excellency the Commander-in-Chief failed to take note of this fact when he made his reply and redundantly pleaded that Indian officers

would not be available. Besides, the Aircraft Department receives all Air Force stores and equipment from England, which is the supply base for all units of all types. This, Sir, is really a very unsatisfactory situation. I admit that it will not be economically a profitable policy or even a practicable proposition to arrange all supplies all at once locally, but, what forms the ground for our dissatisfaction is that nothing is being done by Government to make it possible even in the future for India to be able to fully man her air forces or to supply all the material necessary to maintain them. It is a pity that Government do not realise that Indian forces fully self-equipped and self-manned would prove of even greater strength to the British Empire than India depending on England for both men and material for her military prowess.

Then there is the old exploded plea of funds which was by implication also put forward by His Excellency the Commander-in-Chief, *viz.*, the financial incapacity of the Government of India to arm this country on land, sea and air in satisfactory proportion to the military strength of other countries. This plea begs the question at issue. The present policy of the Government of India to depend on foreign material for the army is responsible for this paucity of funds. If this Government depended, as every national Government does, on the material available in this country for manning all the arms of the army, they would be able to solve the problem of funds in no time and they will have an army which would be the pride of this country, manned by people who will take pride in defending their own country. But the Army in India is an army of occupation. Its main purposes are to keep India under subjection and to go and fight the battles of England all over the world. A politically conscious India will not long brook this situation. A position like this is bound to give rise to feelings of animosity in the hearts of the people and even today we see how eager India is becoming to sever its ties with the British Empire. The policy of the Government of India, of course influenced by the India Office, is responsible for this widening gulf. It is time for the British Government to show a proper gesture and to adopt a "policy of appeasement" in a land which is subject to them and thus gain real strength by strengthening the ties that bind us to the Empire, instead of the fruitless pursuit of trying to appease Germany today and Italy tomorrow and thus make itself the laughing stock of the world.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : I rise to support the Resolution. The demand is so modest that it has been a surprise to me why His Excellency the Commander-in-Chief has not given us a sympathetic reply. The international situation is going from bad to worse every day and since Czecho-Slovakia has been devoured by Germany further serious complications are arising. It is now an admitted fact that the British Government considers the air arm to be its principle arm of defence. Then there is no reason why India should not have an air force of its own. After all the United Kingdom is a very small country, equivalent to perhaps one or two districts of India, and their supply of man power is very meagre. Their aircraft industries also have not been able to cope with the demands for aeroplanes and the British Government has been forced to go to foreign countries to augment their supply. I would suggest to His Excellency the establishment in India of a factory for the manufacture of aeroplanes and aero stores because in case of war, which now seems very near, and in the event of Germany and Italy getting command of the Mediterranean the Government in India will not be able to get aerial stores from England. They must manufacture their aeroplane stores in India in order to meet emergencies, and I consider that the time has now come when owing

[Rai Bahadur Lala Ram Saran Das.]

to shortage of man power in England they must also augment their supply from elsewhere. At present the policy of the Government seems to be that recruitment to the officer grades should be very limited, and it is deplorable to note that this bogey of Indianisation has after all proved a practical farce so far as Indian officers are concerned.

Sir, it is a matter of gratification to note that the Government of India has been good enough to continue their support to the Aero Clubs of India. Some time back we thought that that aid would be stopped and we are glad and grateful for its continuance. These clubs are a very good recruiting field for the Indian Government for the recruitment of their pilots and flying officers. We have a Flying Club in the Punjab known as the Northern India Flying Club. I have had the privilege of serving on the managing committee of that Club from its very inception and I find that a larger number of Punjabis are offering themselves for training than the club can train though the cost of training for a pilot is very high. Only a limited number of people are able to take the training owing to poor finances of aero clubs. It will be in the interests of the Government itself if the Defence Department gives stipends in each province for the training of pilots and planes to the aero clubs. At the time of war the services of those pilots would be at their disposal. But so far what people think is, that Government is concerned to recruit only the lower personnel from India and not the officers. There should be a proper proportion as between officers and other ranks in the Indians recruited. That is followed in every country, but here in India whenever Government requires man power they recruit only sepoys and not people of higher and educated classes, fit to be officers. Therefore, Sir, I consider that it is essential for the Defence Department, particularly in the present international situation, to give great impetus to the training of Indians in flying. I also consider it necessary that the various Universities in India should have flying institutions under them, so that our field of recruitment for the Air Force may be greatly extended. Indians have done very well in the Air Force. Mr. H. S. Malik from the Punjab fought gallantly in the Air Force in the Great War. While on active service, although wounded, he was able to bring down four to five enemy planes, and therefore his name was mentioned in despatches. That is a proof that Indians are as efficient for the Air Force as Europeans. The impression is now general that aerial defence is now the best defence. My information is that in the great re-armament now going on in Britain the aerial side is disproportionately larger than the other military forces. The chief item of defence is the aeroplane and the aeroplane is the chief fighting weapon of the present day and of the future. I consider, Sir, that a great injustice is being

3-5 P.M. done to Indians when they offer themselves for training in the air force and that offer is refused. Later on repressive and compulsory measures are sought by Government for forcing the people to join the army, the navy or any other defence forces. Therefore, I consider that this Resolution is necessary in the interests of the Empire and ought to be accepted. Indians are prepared, being part and parcel of the British Empire, to join in its defence.

THE HONOURABLE SIE A. P. PATRO (Nominated Non-Official): Sir, the Resolution as worded is very simple in its aim. All that it seeks is to secure replacement of the Royal Air Force by an Indian Air Force and to take immediate steps to build up reserves. We have listened to the very interesting observations of His Excellency the Commander-in-Chief who expressed his sympathy with the object, but under the present circumstances, financial

and the opportunity to secure proper material, it may not be possible to achieve it immediately. It would take time. He said he is one of those who would wish that this replacement may take place gradually. But, Sir, in moving the Resolution the Honourable Member also suggested that his idea was not so much for Indianisation of the forces—though he sympathised with and would wish for Indianisation—he wishes the Air Force to be an independent auxiliary to the Royal Air Force; that it was not meant to be exclusive, nor are British officers precluded from being recruited into this Indian Air Force. Gradually when Indians have been trained and when they have acquired the ability and the courage to carry on this arm of the defence forces, then it will be time for consideration whether they could themselves manage the air force. This being the object of the Resolution, I have very great sympathy with it. There are certain observations which have been made, namely, what steps Government have taken with a view to popularise the air force or to create air-mindedness in the Colleges and Indian Universities as is done in Europe? In British University centres steps are taken by the Government by propaganda to induce the young men to take to the air force; similar attempts are not at all made in India and therefore it is very necessary for the Government of India to take immediate steps in order to adopt the methods which are adopted elsewhere. Sir, while urging the Government to take steps in this direction of creating an influence for the flow of candidates and for the stimulation of interest in the air force, it must be remembered that at present colleges and universities are under the influence and power of ministers whose policy is entirely different from that of the Government of India. Under these circumstances is it possible for any public man to interfere in the colleges and the universities to be able to persuade or advise students. Sir, we know that in the case of students in colleges and universities, a new spirit has come over them—a spirit I do not say of indiscipline or disobedience—but I say a spirit of unrest has come over the students that they would not be under the disciplinary provisions of the colleges or the universities. We have seen the spectacle, the sad and disappointing spectacle, in every university centre and in all prominent colleges and even high schools that students have recourse to strikes if only one of them is punished under the disciplinary rules and even violence has been resorted to if only there is a single rule which they do not wish carried at. Under these circumstances, is it not the duty of those who assert that we have to create an atmosphere for purposes of greater recruitment, is it not our duty to speak to these people? If the Central Government were to interfere, it would be resented very strongly. But on the other hand if Provincial Governments which claim to be very popular governments, which have popular representatives and where the Government is the government of the people, if such popular Governments and popular Ministers were to undertake this responsibility of educating the people and helping them to attain this air-mindedness, that would be more feasible in the present circumstances. The present circumstances are also such that not even the Vice-Chancellor or the University Syndicate can by itself passing a Resolution be able to give effect to the intentions underlying this Resolution, because even Resolutions passed by Universities are not taken note of by the student population. The young men therefore must be approached by those agencies whom they look up to. Those agencies have roused this spirit of indiscipline among the students. Today they may say, "Don't take the students out of the colleges, don't take them out for the purpose of joining in the political agitation". It is possible for them to say so now after the event, after the mischief has been done, after the seeds have been sown. It is easy for them to say now, "Don't take the students into the political struggle or agitation".

[Sir A. P. Patro.]

But who is it that is responsible for the present spirit of unrest prevailing among the student population? The duty of these young men was to learn, to acquire knowledge but not to take active part in politics. The organisation which is today in power appealed to their independence, self-respect, self-reliance and they were asked to sacrifice in the interests of the nation to join in the agitation actively. "Give up the colleges and carry on the slogans against the British Government". That was the appeal that was made to them. Every right-minded educationist and public man feels that this has been in the wrong direction, that the spirit has been diverted. Therefore, in the midst of these forces, these conflicting circumstances existing in India, it is too much to ask that only the representatives of the Government of India should carry on propaganda work among them. I may tell you an instance that happened. A recruiting officer came to a district headquarter and visited some other districts in the neighbourhood. He wanted to enlist some promising young men who would be very good material for the purpose of the defence force, the army as well as the navy. We tried to persuade them. But what was the result. They cried slogans which we hear in the market place and no response was available. Such is the practical manifestation which happened a few weeks ago. Therefore, Sir, it is no doubt very difficult at present to recruit proper men but those men that have already been recruited have been certified by His Excellency to be very good material. Therefore, there is good material available in the country and we have no doubt at all that, if the material is properly enlisted, it will prove to be very effective. But then the difficulty is—who is to persuade these people to come in larger numbers for competing for the defence posts? Who is there who will be able to take to them the message that it is their right to defend their own country? The policy has been laid down—I have repeated it already—that the defence of India should be the increasing concern of the Indian people. That is the policy that has been laid down. Now, the question of implementing that policy is no longer with the Indian Government. The Provincial Governments have to take it up if they are in earnest in regard to the preferment of Indians to the defence forces. Are you able to convince the Provincial Governments today that they should take steps in the right direction, that they should persuade the young men to join in numbers, compete and then take up their responsibilities? On the answer to that will depend the success of the scheme which this Resolution proposes.

Again, the financial aspect has been referred to.

THE HONOURABLE MR. P. N. SAPRU: How, Sir, is Sir A. P. Patro's speech relevant to the question before us?

THE HONOURABLE THE PRESIDENT: Many of the speeches are often irrelevant.

THE HONOURABLE SIR A. P. PATRO: I know my friend Mr. Sapru. He has not got the head to understand or the ear to listen to things till the end and therefore I am not surprised at his interruption because we know too well that he is ever impatient. Therefore, I say that here is the position, namely, that the Honourable Mover has rightly pointed out that the problem of finance is one which must be faced, and that he would solve the problem of finance not by taking subsidies from the British Government but that he would curtail expenditure by gradual Indianisation. By gradual Indianisation expenditure

would be reduced and thereby he would be able to finance whatever more is required. But, Sir, it has been very well pointed out that already India has been burdened with a heavy defence budget. We complain that Rs. 45 or Rs. 50 crores, more than half of the revenue of the Central Government, is spent on the defence forces. Could we add to that? At present I do not see any practical means of curtailing any of the arms of the defence forces. After reading the budget memorandum, I said the other day it is impossible that any item in the memorandum that has been described could be curtailed at all. Therefore, unless we look forward to the recommendation of the Chatfield Committee, to which we all earnestly look forward, what would be the contribution that would be made by the British exchequer? If the British Government were to make a contribution of £5½ millions or £6 millions, as we all anticipate, then it may be possible that out of it a certain proportion may be reserved for the purpose of developing the Indian Air Force to replace the Royal Air Force but in present circumstances we have to depend upon the co-operation of the Royal Air Force. At present they are being trained but the training is so slow that it may take many years before a change occurs. But the financial trouble is one that we cannot easily solve nor can easily ignore. Therefore, Sir, it seems to me, that while we sympathise with the aims underlying this Resolution, there are practical obstacles in the way which we may not be able to overcome in the near future. But a beginning must be made. The Resolution says a beginning may be made to build up the reserves, steps must be taken with a view to build up the air force and also the reserves. The reserves also mean finance. They must be paid for; they must be kept up. So that even the second object would involve large expenditure. So in these circumstances it seems to me that, while immediate steps should be taken to develop the Indian Air Force as speedily as possible by recruiting suitable candidates into it and by bringing in efficient experienced officers to co-operate with them and in working the air force as a first class force to co-operate successfully with the Royal Air Force. Therefore, Sir, it seems to me, in spite of the difficulties, a beginning could be made if only we are able to get proper material in order to train them into the Indian Air Force.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Sir, my Honourable friend Mr. Kunzru has dealt in great detail with this Resolution. I want to confine my remarks to only one point and that is about the Indianisation of the officer rank in the Air Force. Sir, my Honourable friend never stated that the Royal Air Force should be immediately replaced by the Indian Air Force but if I have followed him correctly he has suggested that steps should be taken to replace the Royal Air Force by an Indian Air Force gradually. Sir, of late the youths of India have begun to take an interest in the air arm of the Defence Department. We find, Sir, that even during the war some of our Indian youths lost their lives and they fought successfully in this arm with the enemy. After the war, when the Skeen Committee made its report, they recommended that two students should be sent to Cranwell every year for training and gradually the progress of Indianisation in this arm should be increased. The Chetwode Committee in 1931 decided that it was rather prohibitive to start a regular flying training school in India and that it was not possible for them to recommend owing to financial circumstances to open a branch for the training of Indian youths in the Dehra Dun Military Academy. But then, Sir, they also stated that small flying training schools should be established in India and an effort should be made to train our Indian youths in this service. So, Sir, I submit that the Government have not been as enthusiastic as they ought to have been in the matter of making India air-minded. I know, Sir, they are giving grants to various Aero Clubs. I know

[Mr. V. V. Kalikar.]

that the prohibitive cost of establishing a school in India for training Indian youths for this service is coming in their way. But I do not understand why more boys are not sent to Cranwell to get the education that is needed for this service? It is said that they do not get the right stamp of people. I do not believe in this proposition which has been every now and then put forward whenever a question of Indianisation of any arm of the defence service comes in. Assuming for argument's sake that the Defence Department are correct, I want to ask them what steps they have taken since the Skeen Committee made its report to attract the right type of young people to this arm? Many considerations come in the way of people entering this service, and some of them are the heavy cost incurred in the training in England. Then there is the question of vacancies. If I am not mistaken, I believe they have not yet increased the progress. They have not yet been able to come to a decision whether to increase the number of students to be sent to Cranwell or not. If the youths of India know that there will be 10 or 12 or 20 vacancies, then youths, especially from the middle classes, will come in larger numbers to compete for the vacancies. If financial considerations prohibit Government from establishing a regular and well-equipped school or college in India just like Cranwell, they should at least concede the demand and accelerate the pace by placing more vacancies at the disposal of the Indian youths and then you will be able to attract a larger number of competent youths. I have heard stories about the indiscipline and intolerance amongst British students. So, the story that our friend Sir A. P. Patro told us today about the indiscipline among the University and College students is not a special feature of India alone. So far as the policy of the Provincial Governments in this matter is concerned, I know that the ministries in the provinces are pledged to a certain creed, but from the resolutions that have been passed in the various Provincial Councils, I may say—and my Honourable friend Sir A. P. Patro also knows it—that the provincial ministries also do like to attract the students of their Universities and Colleges to take an interest in the defence of their country and they want to start military schools and colleges, but for want of funds, they are hampered in this matter. So, if the Government of India lay down a definite policy that they want to attract more youths, if they are really honest and frank in Indianising any arm, whether air or navy or land forces, I do not think the Provincial Governments will come in their way. My charge against the Government of India is that they have not been as enthusiastic as they ought to have been in this matter. It will be in the interests not only of the Government of India but also of the Commonwealth of England that the youths of India are made air-minded and are in a position to take their place in the defence of their country. So, financial considerations should not come in the way of attracting youths to take part in this particular form of defence service. The Resolution goes to a very large extent to strengthen the hands of His Excellency the Commander-in-Chief and therefore I think His Excellency should reconsider the position and try to accept this Resolution.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan): Sir, the Honourable Sir A. P. Patro has accused me of not being able to understand him.

THE HONOURABLE SIR DAVID DEVADOSS: How is all this relevant?

THE HONOURABLE LT.-COL. SIR HISSAMUDDIN BAHADUR: He has gone out.

THE HONOURABLE MR. P. N. SAPRU : I confess I am sorry that he is not here. I shall tell him in any case what I think about it.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : He has deliberately slunk away.

THE HONOURABLE MR. P. N. SAPRU : Yes, he has deliberately slunk away. I confess, Sir, I find it difficult to understand his psychology. I think every one will find that difficulty. It is difficult to understand Sir A. P. Patro's psychology. Perhaps the correct explanation was given by the Honourable Mr. Ramadas Pantulu the other day here in this House. I will not repeat what he said in the House the other day.

Now, Sir, so far as the Resolution of the Honourable Mr. Kunzru is concerned, it is a very moderate one. It has been pointed out by previous speakers that Mr. Kunzru does not say that the Royal Air Force should be disbanded immediately. All that he says is that the Indian Air Force should replace the Royal Air Force. It does not mean that the officers who are serving in the Royal Air Force will be asked to take their passage and leave the country. It does not mean anything of the kind. What it means is that the Royal Air Force should come under the control of the Government of India and the Secretary of State, because the R. A. F. at present is really controlled by the Air Ministry in England, and we want that control to change. We want the R. A. F. to develop into an Indian Air Force. Mr. Kunzru has explained that he has raised no question of Indianisation in this Resolution. Of course we wish the process of Indianisation to be speeded up and we are not satisfied that the right material is not forthcoming.

I wanted to ask some questions about the character of the examination which is held by the Indian Air Force authorities. I do not know how the marking takes place. If we had a statement before us as to what marks were obtained by different candidates we should be able to find out for ourselves whether the quality of the students was high or low. Then, Sir, I want to make some observations about Indian students and defence. It has been said in this House that there is indiscipline among Indian students and that unless we remove this state of indiscipline it is hopeless to get anything done. Now, I come into touch with students and I know their mentality, and I think this talk of indiscipline among Indian students is very much exaggerated. A certain amount of indiscipline you have in the youth of every country. We are outgrowing the authoritarian state of society. Indian society is in a transitional state. It is natural that youth should think differently from its elders, but my experience is that the Indian student is amenable to discipline. He appreciates the value of order in life and I think it is monstrous to describe him as an indisciplined creature. I think he will compare very favourably with his fellow students in other parts of the world. We have the U. T. Cs. in the various Universities. I should like to ask if any complaints of indiscipline have reached His Excellency in regard to students serving in the U. T. Cs.? I have never heard that discipline in the U. T. Cs. is bad. At all events it is not bad in our University. I know something about the U. T. C. in my University and I can say with confidence that we have always had good reports so far as our students are concerned. Then a good deal is said on these lines, "Oh, but you see students have been encouraged to be indisciplined in their lives" and that sort of thing, and that the responsibility for the present state

[Mr. P. N. Saprū.]

of indiscipline rests with those who are holding power in the Provincial Governments. Now, Sir, I am not here to defend the Provincial Governments. My friends who are sitting over there can do that, but there is just one question I would like to ask. Assuming that the Provincial Governments are prepared to co-operate, is the Government of India prepared to co-operate with them in propaganda which will develop a military sense among Indian students? Supposing Provincial Governments made this offer, that they were prepared to do the best they can to encourage propaganda for recruitment in the army among their students, the sort of propaganda which would produce good and efficient officers from our schools and colleges, will the Government of India, will His Excellency and the military authorities co-operate with the Provincial Governments in this task? Therefore, I think I will answer Sir A. P. Patro's question by a counter-question addressed not to him but to His Excellency. His Excellency the Commander-in-Chief is a much more important person than Sir A. P. Patro! I will therefore address this question to His Excellency. I think if he will co-operate with the Provincial Governments, notwithstanding all the nonsense that we hear from platforms, he will find that the Indian agitator is a very responsible person, that he knows that he has got to live in a very difficult world, a world of Fascist powers, and he will find that he will get co-operation from sections of opinion which British people occasionally regards as disloyal.

Well, Sir, I will not stress the potentialities of the air arm. We know that the air is going to play a very important part in any future war. We are as much interested in the safety of our country as our British friends are, and I think it is time that the Government of India took us into their confidence. The international situation requires that they should take us into their confidence, and it is time that we evolved a policy that will enable India to defend herself properly.

With these remarks, Sir, I give my support to the Resolution.

*THE HONOURABLE MR. N. K. DAS (Orissa : Non-Muhammadan) : Sir, I rise to give my whole-hearted support to the Resolution so ably moved by Pandit Kunzru. I am only sorry that it does not go very far. I should have liked him to have said that all the air force squadrons now in India should be Indianised progressively. But he has not said that. He has satisfied himself with saying that he does not want at the present moment that the British squadrons should be Indianised. His Excellency the Commander-in-Chief however has elaborated the point and has said that two Indian squadrons have already been added and another squadron is likely to be added in the course of this year. His Excellency has also said that the expense of building up an air force in India, with all its machinery and equipment, if met from the revenues of India would be an abnormal expense and that consequently it would be unjustifiable. But I would like to point out to him, though he knows it better than anybody else, that any future war is going to be a war from the air. It is therefore a most opportune moment now to equip an Indian Air Force with all the necessary equipment, and it would be only in the interests of India itself to curtail expenditure on infantry and cavalry and devote that money for the equipment of the Air Forces in India.

With these words, Sir, I support the Resolution.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Sir, I have not got much to say on this Resolution, because I find that as a matter of fact there is not much difference between the Honourable the

Mover and His Excellency the Commander-in-Chief. The objective before both is the same. His Excellency has announced to us that he has already completed one squadron of the Indian Air Force and is going to start with another squadron. The wording of the Resolution is to secure the replacement of the Royal Air Force. If it is meant by the Honourable Mover that for each squadron of the Indian Air Force created a like strength of the Royal Air Force should be reduced, then there may be a slight difference. But if he wants an extension of the air arm, as has been advocated by his supporters, then there is a good deal of difference. The Indian Air Force is in one way better than the other armed forces which are being Indianised inasmuch as it is proposed to officer it exclusively with Indians from the very beginning, and if we want to have the Indian unit it will necessarily be a delayed process, so that we may have officers senior enough available to man the higher ranks.

Mr. President, the Honourable the Mover had mentioned the fact that for 10 vacancies, there were only 23 passes. That might be due to the fact that the pass mark is rather high in Indian examinations. I found, Sir, unfortunately I could not get the latest figure, but from the Report of the English Navy, Army and Air Force Examination Results, dated November, 1931, that there were 24 persons who had passed out, the pass mark there being 32 per cent. whereas so far as my information goes the pass mark in India is between 40 and 50 per cent. There were only four candidates who could secure more than 50 per cent. of the total marks. If you take into account the stiff nature of our examinations, you will realise that it is not so much the fault of Indians who appear at these examinations that there are so few passes, but it is due to the fact that the pass mark is too high in India in order to cloud the issue and to give out that Indians are not as capable and as well equipped as cadets of other nations. The objective before us all—I mean the Government as well as the Opposition—is to strengthen the defence of India. There can be no two opinions on this issue. As far as expenses are concerned, we are unable to understand how Indianisation would involve a greater expenditure. No doubt Indian officers are paid less than the British officers, because the Britisher has to come all the way from his home and an Indian is in his own country. The leave allowed to Indian officers and the passage concessions are much less than those given to European officers. If it is possible to get your men at a cheaper rate, how is it that it will cost greater expenditure? It might be explained that we will have to have our own equipment. As it is, we always pay for equipment that we get from the War Office. Down to the clothes in which the soldiers come from England has to be paid for. I do not understand how it is possible that Indianisation would involve us in greater cost. I would request His Excellency to give us in the next budget papers expenditure on a squadron of the Indian Air Force and the expenses of a Royal Air Force squadron. That would show which would be cheaper and which would be more costly, and even if it is more costly, the Opposition or the public had no hand in framing the rules. We would ask you to revise the rules in such a way as to make the Indian Air Force less expensive than the Royal Air Force. It stands to reason that in the country the nationals should not be more expensive than outsiders. As far as replacement is concerned, I think it could be understood to mean a gradual replacement, because had it been the intention of the Honourable Member to ask for *immediate* replacement, he would have added that word. When he says that he wants replacement, he wants that it should be a gradual effort. Secondly, Sir, I think he went too far when he said that he was prepared to have European officers in the Indian Air Force; I think he went to the absolute limit to which a member of the public could go; and even with such reservations His Excellency the Commander-in-Chief

[Mr. Hossain Imam.]

does not find his way to accept the Resolution ; we feel, Sir, that the Defence Department wants that its affairs should remain a closed book for all of us for all time.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Mr. President, His Excellency the Commander-in-Chief, I am sorry to say, dealt not with the points that I had raised, but with the points which he fancied I would raise in the course of the debate today. He had to think for himself what I would say before he prepared his reply. Perhaps it gave him some satisfaction to think that I would place myself in a difficult position by my ignorance and rashness, and although I have not fallen into any of the pitfalls which he imagined he has preferred to deal with the picture he had formed in his own mind of the plight I would be in owing to my mistakes. His Excellency pointed out that the creation of an air force the strength of which would be equal to that of the combined Indian and Royal Air Force would be a task of no small magnitude and he stressed the fact that the creation of such a force would take time. I think I started by pointing out the strength of the Royal Air Force and recognised that the training of suitable officers would take time. When did I ask that the Royal Air Force should be immediately withdrawn and that it should be replaced by Indian units even before they could be supplied with trained officers ? I anticipated the objection urged by His Excellency the Commander-in-Chief and pointed out that the Resolution before the House involved two considerations. One was the creation of a force which would be independent of the Royal Air Force and the consequent withdrawal of the Royal Air Force. The other was the Indianisation of this Indian Air Force in its commissioned ranks.

My Honourable friend Mr. N. K. Das grievously misunderstood me when he thought that I had given up the point of Indianisation. He should understand that the Royal Air Force cannot be Indianised, because it is a purely British force. If we want Indianisation, it must be our endeavour to replace the Royal Air Force as early as possible by an Indian Air Force. That is why I ask in the first place that steps should be taken to replace the Royal Air Force by Indian units, even though we would in the first instance have to take the help of lent British officers. But when this has been done, we would be able to take the second step of training Indian officers to take the place of the British officers who would remain in the Indian Air Force only as long as Indian officers were not available. Sir, in view of this, I plead "not guilty" to the charge which His Excellency the Commander-in-Chief brought against me of being unaware of the magnitude of the task that would have to be undertaken if my Resolution was complied with.

His Excellency assured us that no artificial restriction was being placed in the way of the development of the Indian Air Force. One Indian air squadron has already been formed. As soon as it has been officered by Indians and has proved its worth, he assured us that another squadron would be formed. Now, I should like the House to understand that the formation of an Indian squadron has not led to any diminution in the strength of the Royal Air Force. We had four Army Co-operation squadrons, four Bomber squadrons and a Bomber Transport Flight before this Indian squadron was formed and we have not merely four Army Co-operation squadrons and four Bomber squadrons now but a full Bomber Transport squadron. The strength of the Bomber Transport force has been raised this year. And this is not the whole of the story, Sir. Even the Aircraft Depot and the Aircraft Park here are part of the Royal Air

Force. Now, it may be that, when the present squadron has got its full complement of Indian officers, His Excellency, as he has just said, may order the establishment of another Indian squadron, but we do not want to go on adding to the strength of our forces. The object of the Resolution that I have moved today is to replace the Royal Air Force by an Indian Air Force. I started by saying that my object was that in proportion as the Indian Air Force was expanded, the Royal Air Force should be cut down. And as regards training I was again careful to point out that we did not want that the standards of training should be lowered or that we should do anything that would prejudicially affect the efficiency of the Indian Air Force. All that I want is that the policy of continuous withdrawal of the Royal Air Force and its replacement by Indian units should be accepted.

THE HONOURABLE SIR MUHAMMAD YAKUB (Nominated Non-Official): Why do you want replacement? You don't pay anything for the Royal Air Force. Why not separately ask for an Indian Air Force?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: My Honourable friend is unaware of the facts. We pay for every penny of the expenditure incurred on the Royal Air Force. The planes placed at their disposal have been purchased out of Indian revenues. Their equipment has been paid for by India. Their salaries are placed on the Indian Air Force budget.

THE HONOURABLE LT.-COL. SIR HJISAMUDDIN BAHADUR: They serve India.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: I hope that; as Sir Muhammad Yakub knows the facts now, he will be prepared to support my Resolution.

The next point, Sir, which His Excellency the Commander-in-Chief dealt with was the cost of establishing a flying college in India. Now, I said nothing with regard to this, but if this is a point of material importance, if when we have an Indian Air Force we must have our officers trained here and His Majesty's Government will not give us any facilities for getting our officers trained in England, I would submit that there is no reason why in such a situation we should not be prepared to incur the expenditure necessary for the establishment of a training institution. What is the strength of the Air Force in Australia? But Australians are not as a matter of course sent for training to England. They have got their own military flying school. Secondly, Sir, I should like to point out that, although we might be put to a great deal of expenditure in connection with the establishment of a flying college, there would be certain substantial savings on account of the payments that we make to the British Air Ministry. We pay the Air Ministry for the British personnel serving in India about Rs. 28 lakhs. These are the capitation charges which India has to pay in connection with the Royal Air Force stationed here. We shall also be able to save the annual expense of about Rs. 5½ lakhs on sea transport. Even if we save nothing else, we shall be able to save nearly Rs. 34 lakhs annually. We could use this for the establishment of a training institution and for meeting its annual cost. I do not know, Sir, what the exact cost of starting an institution of the kind that His Excellency the Commander-in-Chief has in view will be, but, whatever it may be, if he could find Rs. 2½ crores for operations in Waziristan in the course of two or three years, will it be impossible for him to find a much smaller sum comparatively speaking for the establishment of a military flying college in India? Where there is a will there is a way. And

[Pandit Hirday Nath Kunzru.]

if it is necessary for India to start a flying college I am sure it will be possible to do this if the military authorities want it to be done.

The third point that His Excellency dealt with was that it would be impossible to have a large air force in India or large reserves for it. I have never said anything about the creation of an Air Force comparable to the German or the British or the French Air Force. I only asked that, whatever the strength of the air force necessary for Indian defence might be, the air units should belong to the Indian Air Force and not to the Royal

4-5 P.M.

Air Force. Again, I never said one word to show that I wanted large reserves to be built up. Our reserves must bear some proportion to our air force. It is impossible when we have a small air force to ask for very large reserves. It is, however, necessary to create air-mindedness among the people so that when the heavy wastage referred to by His Excellency the Commander-in-Chief occurs, we should be able to get rapidly the number of trained men that we would need. These men would not be in the employ of the Defence Department. But the training that we give them would be a sort of insurance for the future. The trained men will be a reserve that the military authorities can draw upon in war time.

The last point which His Excellency asked us to consider was that a purely Indian Air Force would find it difficult to keep abreast of modern developments. Well, the same thing might be said of the Indian Army as compared with the British Army. If His Excellency's argument is sound, we ought to ask His Majesty's Government to substitute British forces for the present Indian Army. Not even His Excellency the Commander-in-Chief would advocate such a step. What is the force then of the argument which he has used to deter us from asking for a purely Indian force? I personally do not think that India need keep out of touch with modern scientific developments in any direction simply because it wants that it should depend for its defence on itself and not England. If His Excellency's argument has any force, the R. A. F. must remain permanently in India. That is surely a position to which no Indian will agree, and I am sure, Sir, that outside this House also, absolutely no Indian will ever accept such a position. We are determined to take all steps necessary in order to develop the strength of our forces so that they alone may be sufficient for our defence, at any rate in the initial stages. If our man power is properly developed, I see no reason why even in subsequent stages we should have to ask for assistance from any other power. But, however that may be, the alleged military weakness of India ought not to stand in the way of the creation of a purely Indian force. I am after all advocating a policy which it seems to me the Government of India themselves had in view as far back as 1912. If the Great War had not broken out, it was reasonable to assume that the air force in India would have been purely Indian. It is due to accidental circumstances that development has not taken place on the lines chalked out in 1912. What was thought possible then ought to be possible now. It does not seem to me that there are any practical considerations that stand in the way of the acceptance of my Resolution. It is only the question of policy, the insistence of His Majesty's Government on retaining a strong British element in the Indian defence forces, that prevents the military authorities from aiming at the object that all true Indians have in view.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I have little to add to what I have already said. I have listened carefully to everything that has been said since I spoke.

My last expectation regarding the Honourable Mover was that he would fall into any pitfall. He is much too astute for that. If he will read what I said today more at his leisure later on, I think he will agree that I have covered most of his points, indirectly at any rate.

The main criticisms I have heard appear to be aimed at two points :

- (1) That Government are not serious about this question of Indianisation.
- (2) That Government do not appreciate the seriousness of the international situation.

My answer to the first point is an emphatic denial, as I have endeavoured to impress on this House again and again since I have been here. As regards the second point there is no question of the seriousness of the international situation, but I would remind you that that situation does not necessarily affect the United Kingdom and India to a similar degree.

Finally—I have been asked to use propaganda and various other encouragements to cause air-mindedness. I maintain we have done all we can in this respect and I do not propose to stop. But may I ask my Honourable friends to give me their whole-hearted co-operation in this matter—your opportunities of helping us in this are great provided you are really inclined to do so.

Finally, to deal with the Honourable Mover's last point. It is of course the intention to replace R. A. F. squadrons by Indian Air Force squadrons as and when they are formed and are considered to be sufficiently efficient to justify this.

THE HONOURABLE THE PRESIDENT: The Question is :

"That this Council recommends to the Governor General in Council to secure the replacement of the Royal Air Force by an Indian Air Force and to take immediate steps to build up reserves for the Indian Air Force in sufficient numbers to meet an emergency."

The Council divided :

AYES—11.

Dalal, Hon. Mr. M. N.
Das, Hon. Mr. N. K.
Hossain Imam, Hon. Mr.
Kalikar, Hon. Mr. V. V.
Kunzru, Hon. Pandit Hirday Nath.
Mahtha, Hon. Rai Bahadur Sri Narain.

Ram Saran Das, Hon. Rai Bahadur Lala.
Ray Chaudhury, Hon. Mr. Kumarsankar.
Roy Chowdhury, Hon. Mr. Susil Kumar.
Sapru, Hon. Mr. P. N.
Sinha, Hon. Kumar Nripendra Narayan.

NOES—23.

Charanjit Singh, Hon. Raja.
Commander-in-Chief, His Excellency the.
Das, Hon. Rai Bahadur Satyendra
Kumar.
Devadoss, Hon. Sir David.
Ghosal, Hon. Sir Josua.
Gorwala, Hon. Mr. A. D.
Govindachari, Hon. Rao Bahadur K.
Haidar, Hon. Khan Bahadur Shams-ud
Din.
Hissamuddin Bahadur, Hon. Lt.-Col.
Sir.
Hydari, Hon. Mr. M. S. A.

Ismail Alikhan, Hon. Kunwar Hajee.
Jagdish Prasad, Hon. Kunwar Sir.
Lal, Hon. Mr. Shavax A.
Menon, Hon. Sir Ramunni.
Muhammad Yakub, Hon. Sir.
Mukherjee, Hon. Sir Satya Charan.
Nanak Chand, Hon. Rai Bahadur Lala.
Parker, Hon. Mr. R. H.
Puckle, Hon. Mr. F. H.
Raisman, Hon. Mr. A. J.
Russell, Hon. Sir Guthrie.
Sobha Singh, Hon. Sardar Bahadur.
Stokes, Hon. Mr. H. G.

The Motion was negatived.

THE HONOURABLE MR. M. N. DALAL: Sir, I am giving notice of certain amendments to the Bill standing in my name. I would therefore like to leave the consideration till the 23rd March.

The Council then adjourned till Eleven of the Clock on Wednesday, the 22nd March, 1939.

COUNCIL OF STATE.

Wednesday, 22nd March, 1939.

The Council met in the Council Chamber of the Council House at Eleven of the Clock, the Honourable the President in the Chair.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE SIR GUTHRIE RUSSELL (Chief Commissioner for Railways) : Sir, I move :

"That this Council do proceed to elect, in such manner as may be approved by the Honourable the President, six non-official Members from the Council who shall be required to serve on the Central Advisory Council for Railways."

The Motion was adopted.

THE HONOURABLE THE PRESIDENT : With reference to the Motion which has just been adopted by the Council, I have to announce that nominations to the Central Advisory Council for Railways will be received by the Secretary up to 12 Noon tomorrow, and the date of election, if necessary, will be announced later.

STANDING COMMITTEE FOR ROADS, 1939-40.

THE HONOURABLE THE PRESIDENT : With reference to the announcement made by me on the 16th March, regarding nominations to the Standing Committee for Roads, I have to announce that the following Honourable Members have been nominated for election to that Committee :

1. The Honourable Mr. R. H. Parker.
2. The Honourable Sardar Buta Singh.
3. The Honourable Rai Bahadur K. Govindachari.
4. The Honourable Mr. Susil Kumar Roy Chowdhury.
5. The Honourable Mr. M. N. Dalal.
6. The Honourable Kumar Nripendra Narayan Sinha.

There are six candidates for three seats and an election will be necessary. The date of election will be announced later.

STANDARDS OF WEIGHT BILL.

THE HONOURABLE MR. H. DOW (Commerce Secretary) : Sir, I move :

"That the Bill to establish standards of weight throughout British India, as passed by the Legislative Assembly, be taken into consideration."

[Mr. H. Dow.]

Sir, I do not think I need weary the House in going into the history of this measure. It has been realised for a long time that it is very much in the interests of the whole of India that there should be uniform standards both of weights and of measures and that they should be enforced throughout the country. This Bill deals merely with the prescription of the standard, the constitutional position being, under the present Government of India Act, that the Central Government is responsible only for the prescription of standards of weight, and that weights and measures are provincial subjects, so that the enforcement of the standard will remain with the Provincial Governments. The Provincial Governments are anxious for this Bill to be passed in order that they may get on with the enforcing of standard weights. Some Local Governments have already passed Acts, one of them being the Bombay Government, and probably the legislation of the Bombay Government, which has been quite successful, will form a suitable model for legislation in other provinces. The really operative part of this Bill is the prescription of the actual standard which is referred to in clause 2 of the Bill. It is there laid down that the unit of weight shall be the standard grain, that is to say, that weight which when multiplied by 1799·84585 is the weight *in vacuo* of the iridio-platinum cylinder in the custody of the Mint Master, Bombay. There is no particular virtue about the prescription of one article rather than another as the standard if it is duly related to the grain; but what is wanted in the standard is durability, and it should be something which is not likely easily to disintegrate. Everything of course is subject to decay. "Flame burns, rain sinks into the cracks and they all go to ruin under the thud of the years". But in this iridio-platinum cylinder we have got something which is as durable as possible, and the standard weights which are referred to later on in the Bill can all ultimately be referred to that standard.

As I have said before, the enforcement of the standard is now a provincial responsibility. The matter has been considered by Local Governments and they are all anxious for this Bill to be passed, and I think some of them indeed have legislation which is actually waiting for the passing of this Bill in order to be introduced and enforced.

Sir, I move.

The Motion was adopted.

Clauses 2, 3 and 4 were added to the Bill.

Clauses 5 and 6 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. H. DOW : Sir, I move :

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

INDIAN MERCHANT SHIPPING (SECOND AMENDMENT) BILL.

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD (Education, Health and Lands Member) : Sir, I move :

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, for a certain purpose, (*Second Amendment*), as passed by the Legislative Assembly, be taken into consideration."

Under the provisions of Article 100 of the International Sanitary Convention of 1926 shipping companies are required to provide for each person, irrespective of age, an area of 1·50 square metres which is equivalent to 16 English square feet in the between decks over and above the space reserved for the crew. But under the Indian Merchant Shipping Act, 1923, section 149 (3), children under the age of one are excluded from the computation of pilgrims on pilgrim ships. The result is that there is a conflict between Article 100 of the Sanitary Convention and the Indian Merchant Shipping Act. The authorities in Saudi Arabia passed a decree in 1934 enforcing the provisions of Article 100 of this Convention and since then the Government of India have by negotiation with these authorities been able to secure that our ships should carry children under one year of age without being subject to a penalty. But last year a certain ship of a particular company which had taken such children was fined by the Saudi Government and now they have said that we should take steps to amend our Act so as to bring it into conformity with the provisions of Article 100 of the International Sanitary Convention. I may mention for the information of the House that all ships going from the Netherlands Indies, all ships going from Egypt, carrying pilgrims, conform to this convention and at the last meeting in Paris of the Office International d'Hygiene Publique they came to the conclusion that a child requires as much cubic air space as anybody else so that we are merely following a practice which is recognised by the medical world as necessary for the health of the children. Moreover, if we do not amend the law in this respect, the Saudi authorities will fine the captains of ships who carry children under one year of age without providing for this air space in contravention of the provisions of the International Sanitary Convention. The matter was placed also before the Central Haj Committee last year and they agreed that such a change was essential. There was no amendment moved in the other place and I therefore hope that the Honourable Members here will follow in this respect the example of Members in the other place.

Sir, I move.

The Motion was adopted.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : On a point of information, Sir. May I ask the Honourable the Leader if, as a result of this amendment, the children will be still carried free by the shipping companies or will they be charged for ?

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD : I think that question should be addressed to the shipping companies rather than to the Leader of the House.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD : Sir, I move :

" That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

INSURANCE (AMENDMENT) BILL.

THE HONOURABLE MR. H. DOW (Commerce Secretary) : Sir, I move :

"That the Bill to amend the Insurance Act, 1938, as passed by the Legislative Assembly, be taken into consideration."

This is a fairly formidable looking Bill, Sir, of 37 clauses, and in the ordinary way it might seem to require a considerable speech from me by way of introducing it to the House. But it consists almost entirely of small changes of a technical kind which a detailed scrutiny of the Act has shown to be necessary. Honourable Members will remember that the Act had a very long and somewhat stormy and contentious passage in another place last year. A good many amendments were carried through on the floor of the House without very much time for detailed scrutiny, and at the time when the Act was put through Government had not the advantage of the assistance of anyone who was a real expert in insurance matters. Since then, although I think we can take it that this Bill does not now require a great deal of detailed scrutiny by us, I would like to assure the House that it has been the subject of a very great amount of work ; and in that connection I feel that I ought to mention the services of Mr. Thomas, the new Superintendent of Insurance under the Act. If it had not been for the hard work that he has put into it, and the way in which he has won the confidence of insurance interests throughout the country, it would have been a very much more difficult matter for Government to deal with.

The Bill is really confined to technical changes. There was one matter of some importance which was not entirely technical, which was originally put in the Bill, but the Select Committee thought that that had better be left out. The Bill was dealt with in great detail in the other House by a Select Committee, which contained some most prominent legal luminaries and members interested in insurance, and I feel quite confident that it can now be commended to this House.

Sir, I move.

The Motion was adopted.

Clauses 2 to 20 (including 2A) were added to the Bill.

Clauses 21 to 30 were added to the Bill.

Clauses 31 to 37 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. H. DOW : Sir, I move :

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

INDIAN PATENTS AND DESIGNS (AMENDMENT) BILL.

THE HONOURABLE MR. H. DOW (Commerce Secretary) : Sir, I move :

"That the Bill further to amend the law relating to the protection of Inventions and Designs, as passed by the Legislative Assembly, be taken into consideration."

Sir, the main object of this Bill is to stop the import of goods bearing designs which constitute infringements of designs registered under the Indian Patents and Designs Act. This matter, Sir, has been the subject of many complaints from the commercial public and has been under the consideration of Government since 1933. The proposal now really is to extend to registered designs the same protection which already exists for copyright under the provisions of the Indian Copyright Act.

If Honourable Members will turn to clause 21 of the Bill, they will find that it is proposed to insert an additional clause in section 18 of the Sea Customs Act with this object in view. This proposal was circulated to Provincial Governments and commercial bodies and they were generally in favour of the legislation being undertaken. But it was found in the course of examination that this amendment by itself would not give the person injured any civil remedy, and that the mere importation of goods with pirated designs would not bring the act within the mischief of section 53 of the Indian Patents and Designs Act unless it was also proved that the importer caused the pirated design to be applied to the goods. There were further discussions and it was then eventually decided to proceed by way of addition of a clause to section 53 (1) of the Patents and Designs Act. That is section 13 of the Bill before you. This will now provide specifically against importation for the purposes of sale, without the consent of the registered proprietor, of any article to which the design or any fraudulent or obvious imitation of the design has been applied. The owner will thus be provided with a remedy against the importer of a pirated design without being required to prove that the importer was aware the design was pirated. This remedy is of course a civil one. It is a well established principle that where a person, either with or without knowledge, injures another person's civil rights, he should be liable to damages.

There are one or two other minor changes. A limit has been placed on the total sum recoverable in respect of each infringement, and it has also been made possible for any person who is interested in any article to discover whether the registration of a design exists in respect of such article.

These are the main changes which the Bill carries out. The opportunity has been taken to carry out a number of other minor changes of a non-contentious nature. This Bill has also been on the stocks for a very long time and it has been very carefully examined by commercial interests and by the Select Committee in another place. That, Sir, is all that I need say in commending this Bill to the House.

Sir, I move.

The Motion was adopted.

Clauses 2 to 21 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. H. DOW : Sir, I move :

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

WORKMEN'S COMPENSATION (AMENDMENT) BILL.

THE HONOURABLE MR. M. S. A. HYDARI (Labour Secretary) : Sir, I move :

"That the Bill further to amend the Workmen's Compensation Act, 1923, for a certain purpose, as passed by the Legislative Assembly, be taken into consideration."

Sir, compensation for injuries or death incurred in various industrial occupations is payable under the Workmen's Compensation Act, 1923, to employees who are "workmen" within the definition given in section 2 (I)(n)(ii) of that Act. One of the qualifications is that a workman should be "employed on monthly wages not exceeding three hundred rupees". The intention has always been that this should qualify for compensation all workmen drawing on an average three hundred rupees a month, whether employed on a monthly, daily, piece-work or other rate of wage. The Madras High Court have however on two separate occasions held that persons employed otherwise than on a monthly rate of wage are not workmen within the meaning of this definition. The Bombay High Court have held the contrary view. The Bill seeks to remove this conflict of interpretation in regard to pending and future cases and permits the re-opening of previous cases in which workmen employed other than on a monthly rate of wage have suffered disqualification.

Sir, I move.

The Motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. M. S. A. HYDARI : Sir, I move :

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

COTTON GINNING AND PRESSING FACTORIES (AMENDMENT) BILL.

THE HONOURABLE MR. H. DOW (Commerce Secretary) : Sir, I move :

"That the Bill to amend the Cotton Ginning and Pressing Factories Act, 1925, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

This Bill has only two clauses of substance. The second, to mention the more important first, is an amendment of section 14 of the original Act. There have been many complaints from the trade of the rigidity of this section. As it stands at present, it enables a purchaser of cotton to refuse to accept delivery on the ground of entirely technical faults. The object of this Bill is to restrict the right of the purchaser to refuse delivery of a bale to the case in which it does not bear the special mark of the factory which is prescribed under section 4 of the Act. This has been under examination by the Indian Central Cotton Committee for a very considerable time and the form in which we propose the amendment has the general consent of the cotton trade.

The other change which is made by this Bill relates to structural alterations in factories. Structural alterations in cotton factories have to be approved by Local Governments and it has been held by some courts, principally in the Punjab, that this previous approval cannot be insisted on in the case of factories which were constructed before 1925, when the main Cotton Ginning and Pressing Factories Act was passed. The object of this further amendment is to compel the older factories also to get the approval of Government to structural alterations and so put them in, as far as possible, the same position that the newer factories are placed in. There are various safeguards which are designed to see that that requirement does not operate unfairly on the old factories to which it is applied.

Those, Sir, are the only two changes which are made by this Bill and I commend it to the House.

The Motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. H. DOW : Sir, I move :

"That the Bill, as passed by the Legislative Assembly, be passed."

The Motion was adopted.

THE HONOURABLE THE PRESIDENT : Before I adjourn the Council I wish to remind Honourable Members that a group photograph will be taken tomorrow at 11 A.M. I have also to remind Honourable Members that the informal election of one Member to serve on the Central Committee of the Tuberculosis Association of India will be held in the Committee Room No. 64 tomorrow after the Council rises.

The Council then adjourned till Eleven of the Clock on Thursday, the 23rd March, 1939.
