

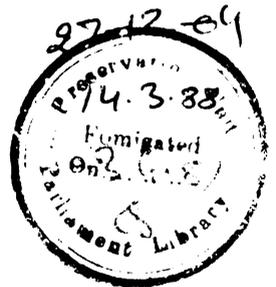
Wednesday, 19th February, 1941

**THE
COUNCIL OF STATE DEBATES**

VOLUME I, 1941

(19th February to 4th April, 1941)

**NINTH SESSION
OF THE
FOURTH COUNCIL OF STATE, 1941**



**PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI.
PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, NEW DELHI.
1941.**

CONTENTS.

	Pages.
Wednesday, 19th February, 1941—	
Members Sworn	1
Questions and Answers	1—4
Statements, etc., laid on the table	4—5, 6—7
Information promised in reply to questions laid on the table	5—6, 7—10
Messages from His Excellency the Governor General	10—11
Committee on Petitions	11
Welcome to His Excellency the Commander-in-Chief	11—13
Congratulations to recipients of honours	13
Governor General's assent to Bills	13—14
Bills passed by the Legislative Assembly laid on the table	14
Presentation of the Railway Budget for 1941-42	14—19
Statement of Business	20
Tuesday, 25th February, 1941—	
Questions and Answers	21—47
General Discussion of the Railway Budget for 1941-42	48—89
Wednesday, 26th February, 1941—	
Questions and Answers	91—117
Bill passed by the Legislative Assembly laid on the table	117
Insurance Deposits (Temporary Reduction) Bill—Considered and passed	117—119
Indian Merchandise Marks (Amendment) Bill—Considered and passed, as amended	119—120
Thursday, 27th February, 1941—	
Questions and Answers	121—127
Resolution <i>re</i> Prevention of persons suffering from contagious diseases travelling in trains, etc.—Withdrawn	127—133
Resolution <i>re</i> Indian Civil Service—Withdrawn	133—164
Friday, 28th February, 1941—	
Presentation of the General Budget for 1941-42	165—178
Wednesday, 5th March, 1941—	
Member Sworn	179
Questions and Answers	179—193
Information promised in reply to questions laid on the table	194—196
Statements, etc., laid on the table	196
Bills passed by the Legislative Assembly laid on the table	196
Message from the Legislative Assembly	196
General Discussion of the General Budget for 1941-42	197—243
Thursday, 6th March, 1941—	
Member Sworn	245
Questions and Answers	245—251
Bill passed by the Legislative Assembly laid on the table	251
Resolution <i>re</i> Recruitment of all classes for the Indian Army—Adopted	251—276
Statement of Business	276

Monday, 10th March, 1941—

Questions and Answers	277—285
Resolution <i>re</i> Indian Civil Service Examination— Withdrawn	286—308
Resolution <i>re</i> University Training Corps— Withdrawn	308—315

Tuesday, 11th March, 1941—

Statements, etc., laid on the table	317
Central Advisory Council for Railways	317
Standing Committee for Roads, 1941-42	317
Standing Committee for the Department of Communications	318
Petroleum (Amendment) Bill—Considered and passed	318—319
Berar Laws Bill—Considered and passed	319—320
Assam Rifles Bill—Considered and passed	320
Indian Railways (Amendment) Bill—Considered and passed	321—341
Resolution <i>re</i> Payment of Compensation in respect of war injuries, etc., sustained by Indian seamen—Adopted	341—342

Monday, 17th March, 1941—

Questions and Answers	343—352
Resolution <i>re</i> Allocation of Defence expenditure between His Majesty's Government and India—Negatived	352—365
Standing Committee for Roads, 1941-42	365
Central Advisory Council for Railways	365—366
Standing Committee for the Department of Communications	366
Resolution <i>re</i> Federal Court— Withdrawn	366—377

Monday, 24th March, 1941—

Questions and Answers	379—389
Death of Sir Muhammad Hayat Khan Noon	389—390
Bills passed by the Legislative Assembly laid on the table	390
Resolution <i>re</i> Review of Industrial development—Discussion postponed	390—391
Resolution <i>re</i> Indian Civil Service	391—402
Delhi Masajid Bill—Recommendation to the Legislative Assembly that the — be referred to a Joint Committee	402—403
Indian Limitation (Amendment) Bill—Motion to refer to Select Com- mittee, adopted	403
Statement of Business	403

Thursday, 27th March, 1941—

Member Sworn	405
Questions and Answers	405—413
Information promised in reply to questions laid on the table	413—422
Bills passed by the Legislative Assembly laid on the table	422
Standing Committee on Emigration	422
Standing Committee for the Labour Department	422
Standing Committee for the Department of Commerce	422
Standing Committee for the Department of Supply	422—424
Central Advisory Council for Railways	424—425 and 465
Standing Committee for Roads, 1941-42	425
Indian Finance Bill, 1941—Motion to consider— <i>not concluded</i>	425—465
Statement of Business	466

	Pages.
Friday, 23th March, 1941—	
Member Sworn	467
Message from the Legislative Assembly	467
Indian Finance Bill, 1941—Considered and passed	467—518
Standing Committees	518
Statement of Business	518
Appendix	519
Saturday, 29th March, 1941—	
Questions and Answers	521—553
Protective Duties Continuation Bill—Considered and passed	553—556
Indian Tariff (Amendment) Bill—Considered and passed	557
Tyres (Exoisc Duty) Bill—Considered and passed	557—559
Excess Profits Tax (Amendment) Bill—Considered and passed	560—562
Wednesday, 2nd April, 1941—	
Questions and Answers	563—582
Bill passed by the Legislative Assembly laid on the table	582
Standing Committee on Emigration	583
Standing Committee for the Department of Commerce	583
Standing Committee for the Labour Department	583
Standing Committee for the Department of Supply	583—584 and 617—618
Information promised in reply to questions laid on the table	584
Resolution <i>re</i> Industrial development—Adopted, as amended	584—617
Statement of Business	618
Friday, 4th April, 1941—	
Questions and Answers	619—620
Statements, etc., laid on the table	621
Death of Sir Sundar Singh Majithia	621—622
Delhi Restriction of Uses of Land Bill—Considered and passed	622—628
Insurance (Amendment) Bill—Considered and passed	628—643

THE
COUNCIL OF STATE DEBATES

(OFFICIAL REPORT OF THE NINTH SESSION OF THE FOURTH
COUNCIL OF STATE)

VOLUME I—1941.

COUNCIL OF STATE.

Wednesday, 19th February, 1941.

The Council met in the Council Chamber of the Council House in New Delhi at Eleven of the Clock, being the first day of the Ninth Session of the Fourth Council of State, pursuant to section 63D (2) of the Government of India Act. The Honourable the President (the Honourable Sir Maneckji Byramji Dadabhoy, K.C.S.I., K.C.I.E., LL.D., Bar.-at-Law) was in the Chair.

MEMBERS SWORN :

His Excellency General Sir Claude John Eyre Auchinleck, G.C.I.E., C.B., C.S.I., D.S.O., O.B.E. (Commander-in-Chief).

The Honourable Mr. Henry Carlos Prior (Labour Secretary).

The Honourable Mr. Dharendra Nath Mitra (Nominated Official).

QUESTIONS AND ANSWERS.

SHIP-BUILDING INDUSTRY.

1. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government state what steps they have taken to encourage actively merchant ship-building industry in India, as a part of their war effort; and with what result? If no efforts have been made, will Government state the reasons therefor?

THE HONOURABLE MR. H. C. PRIOR: The Honourable Member is referred to paragraph 3 of the Press Communique issued by the Department of Commerce on the 16th December, 1940. Copies of the Communique are in the Library.

PRINTING OF CURRENCY NOTES OF COUNTRIES OTHER THAN INDIA.

2. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government state whether the Security Printing Press of Nasik will be employed for printing currency notes of any other country besides India ? If so, what is the proposal, if any ?

THE HONOURABLE MR. C. E. JONES : The printing of currency notes of countries other than India and Burma is undertaken at the Currency Note Press if it does not interfere with their own work.

THE HONOURABLE MR. HOSSAIN IMAM : Do Government propose to print notes for other countries this year ?

THE HONOURABLE MR. C. E. JONES : We have had only one firm request so far, Sir, from the Ceylon Government and the matter is still in its early stages. The design of the notes has not yet been approved, and the paper is not yet available. I have no doubt that when things are ready we will undertake this printing. As regards other countries, we have had certain preliminary inquiries but they have not yet developed into firm requests.

COMMITTEE SET UP TO EXAMINE THE CASES OF ENEMY ALIENS.

3. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Was a special committee appointed to examine the cases of enemy aliens who were in India at the outbreak of war ; and if so, who were the members of the committee ?

THE HONOURABLE MR. E. CONRAN-SMITH : Two Committees have been appointed to examine the cases of enemy aliens in India. On the outbreak of the war, when, as a preliminary precautionary measure, all male enemy aliens who had attained the age of 16 years were interned, a Committee was appointed to review in the first place the cases of persons claiming to be refugees. The Committee's functions were later extended to review the cases of all internees as a result of Government's acceptance at that time of the view that the continued internment of persons believed to be harmless was not justified. The members of this Committee were originally Sir Malcolm Darling, K.C.I.E., I.C.S. and Mr. W. O. Wood, I. P. In December, 1939, Mr. J. Abernethy, I. P., was appointed as an additional member in order to expedite the conclusion of the Committee's work.

2. As a result of the methods employed by the enemy in Norway, Holland and Belgium, it was decided in June, 1940 that it was desirable to re-intern or to restrict to parole centres most enemy subjects, including refugees, who had been released by the Darling Committee ; but it was recognized that, in the case of refugees in particular and in the case of those who could prove beyond reasonable doubt that they were actively opposed to the Nazi and Fascist regimes, some exceptions shall be made to this policy. An Aliens Advisory Committee was accordingly set up to investigate the cases of all Jews of enemy origin and to consider applications from all other enemy internees who claim to be anti-Nazi or anti-Fascist. The following gentlemen were appointed to this Committee :—

Chairman—

Mr. G. B. Constantine, I.C.S.

Members—

The Honourable Sir David Devadoss.
 Sir Mohammad Yamin Khan, M.L.A.
 Lt.-Col. L. G. V. Hamber.
 Mr. A. G. Phillips, C.I.E., Bar.-at-Law.

THE HONOURABLE MR. HOSSAIN IMAM : What was the result of this second inquiry, Sir ?

THE HONOURABLE MR. E. CONRAN-SMITH : The work of the second Committee is just now finishing.

OFFICERS IN THE OFFICE OF THE CHIEF PRESS ADVISER AND IN THE BUREAU OF PUBLIC INFORMATION.

4. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : Will Government lay on the table a statement showing the names of the officers, and their respective salaries, who have been appointed to posts in the Press Advisers Department and in the Bureau of Public Information, Government of India, since the outbreak of war ?

THE HONOURABLE MR. E. CONRAN-SMITH : Sir, I lay a statement on the table.

Statement showing the names and the respective salaries of officers, who have been appointed to posts in the Office of the Chief Press Adviser to the Government of India and in the Bureau of Public Information since the outbreak of war.

(1) Office of the Chief Press Adviser to the Government of India :—

<i>Name.</i>	<i>Salary.</i>
	Rs.
1. Mr. Desmond Young, Chief Press Adviser	2,750
2. Mr. E. V. Ritter, Assistant Press Adviser	1,200

(2) Bureau of Public Information :—

1. Mr. R. I. Hall, Information Officer	800
2. Mr. B. Fonseca, Information Officer	600
3. Mr. F. D. Douglas, Information Officer	700
4. Major G. E. Wheeler, Information Officer on Special Duty	*
5. Major Abdul Samad Shah, Special Officer	700
6. Mr. R. L. Handa, Assistant Information Officer	400
(Officiating in a permanent vacancy released by the late Mr. S. C. Guha Thakurta from 9th December, 1940 at a salary of Rs. 550 per mensem.)	
7. Mr. V. Krishnaswami, Assistant Information Officer	400
8. Mr. B. B. Kapasi, Assistant Information Officer	400
9. Mr. B. Mukhopadhyaya, Assistant Information Officer	400
10. Mr. J. A. Kidwai, Assistant Information Officer	400
11. Mr. Madho Prasad, Assistant Information Officer	400

* The question regarding fixation of Major Wheeler's salary is under consideration.

NOTE.—Besides the above, Mr. B. L. Sharma, Assistant Information Officer, has been promoted in a wartime vacancy of Information Officer on Rs. 700 per mensem.

Nos. 10 and 11 belong to the Bureau's permanent non-gazetted staff and have been promoted in temporary wartime vacancies.

INSTALLATION OF A RADIO STATION AT PATNA.

5. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH : What arrangements have been made to instal a radio station in Patna ; and when is it likely to be in operation ?

THE HONOURABLE MR. S. N. ROY : Land for the transmitter and receiving centre is being acquired and estimates for buildings are under preparation. Arrangements have been made for obtaining power supply and are being made for telephone lines. I cannot say with any exactness when transmissions from the station will begin, as in present conditions the date of arrival of the equipment from abroad is very uncertain.

THE HONOURABLE MR. HOSSAIN IMAM : When was the order placed for this receiving set, Sir ?

THE HONOURABLE MR. S. N. ROY : As far as I recollect, Sir, about eight months ago.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE SIR GIRJA SHANKAR BAJPAI (Education, Health and Lands Member) : Sir, I lay on the table a copy of the rules framed by the Central Government under sections 4A and 4D of the Destructive Insects and Pests Act, 1914.

DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

NOTIFICATION.

AGRICULTURE.

New Delhi, the 20th November, 1940.

No. F. 50-13 (20)/39-A.—In exercise of the powers conferred by sections 4A and 4D of the Destructive Insects and Pests Act, 1914 (II of 1914), the Central Government is pleased to make, with effect from the 1st February 1941, the following rules for regulating the transport from the Punjab, the North-West Frontier Province and British Baluchistan to any other Province in British India of certain articles which are likely to carry, the destructive insect known as San José Scale (*Aspidiotus perniciosus*) and thereby cause infection to crops, namely :—

1. In these rules, "infected Province" means the Punjab, the North-West Frontier Province or British Baluchistan.

2. The articles to which these rules apply are :—

(a) the following plants, namely, *akik*, alder, almond, apple, apricot, beech, bharg, birch, crab apple, celtis, cherry, chestnut, currant, elm, eucalyptus, grape vine, green-gage, hawthorn, lilac, mountain ash, mulberry, oak, peach, pear, persimmon, poplar, plum, quince, raspberry, rose, strawberry, walnut and willow ;

(b) the following plant materials namely, buds, cuttings, soions, grafts, bulbs, leaves, seedlings, tubers and rhizomes, of the plants specified in clause (a), and

(c) any articles used in packing or wrapping up any of the plants and plant materials mentioned in clauses (a) and (b).

NOTE.—These rules do not apply to the fruits of the plants mentioned in clause (a).

3. No article to which these rules apply shall be transported from an infected Province to any other Province in British India—

(a) by means of letter or sample post or by air,

(b) by road except by such routes as may be specified by the Government of the other Province, or

(c) by railway or inland steam vessel unless the consignment is accompanied by a certificate in the form set forth in the Schedule annexed to these rules and signed by the authority specified therein.

Schedule.

This is to certify that the living plants/plant materials included in the consignment of which particulars are given below were thoroughly examined on.....(date) by.....(name and designation of official)..... a duly authorised official of the.....(name of Department)..... and that the consignment including the packing covered by this certificate has been adequately treated and fumigated with hydrocyanic acid gas immediately prior/subsequent to inspection and made free from living *San Jose* Scale.

Date of examination and fumigation.....

Particulars of consignment.....

No. and description of packages.....

Distinguishing marks.....

Description of living plants or plant materials.....

Exported by.....

Name and address of the consignee.....

Signature of certifying authority *.....

Designation.....

* NOTE.—The above certificate should be signed—

(a) in the Punjab, by the Entomologist, Punjab Agricultural College, Lyallpur, or such other officer as may be authorised by the Director of Agriculture, Punjab in this behalf,

(b) in the North-West Frontier Province, by the Agricultural Officer of that Province, or such other officer as may be authorised by the Provincial Government in this behalf, and

(c) in British Baluchistan, by the Agricultural Officer, Baluchistan, or such other officer as may be authorised by the Chief Commissioner in this behalf.

G. S. BOZMAN,

Joint Secretary to the Government of India.

THE HONOURABLE MR. C. E. JONES (Finance Secretary): Sir, I lay on the table a copy of the Report* on the progress of the schemes financed from the grants for Rural Development for the period 1st December, 1938 to 30th November, 1939.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE.

THE HONOURABLE MR. C. E. JONES (Finance Secretary): Sir, I lay on the table the information promised in reply to part (d) of question No. 19 asked by the Honourable Mr. Hossain Imam on the 19th November, 1940.

* Not printed in these debates. Copy placed in the Library of the House.

NUMBER OF PERSONS WITH PLAIN B.A.* OR B.Sc. DEGREE ADMITTED OR REJECTED TO THE INDIAN AUDIT AND ACCOUNTS, ETC., SERVICES EXAMINATION, 1940, FROM EACH COMMUNITY.

Name of Province.	Admitted.			Rejected.			Remarks.
	Hindus.	Mus- lims.	Others.	Hindus.	Mus- lims.	Others.	
Assam . . . . .	..	..	..	..	..	..
Bengal	1	1	1	6	1		
Bihar . . . . .	..	..	..	4	1	..	
Bombay	5	..	1	5	1	1	
Central Provinces . . . . .	..	1	..	3	..	2	
Madras	5		2	10	2	1	
North West Frontier Province.		..					
Orissa . . . . .	..	..	..	..	..	1	Rejected. Under age.
Punjab	2	2	1	7	3	4	
Sind . . . . .	..	..	..	3	..	..
United Provinces	2	3	3	17	8	1	
Other Areas . . . . .	..	..	..	7	..	1	
Total	15	7	8	62	16	11	
GRAND TOTAL	30			89			

* .

* The term "plain B.A. or B.Sc." has been interpreted as B.A. or B.Sc. *without* Honours or an additional post-graduate degree. Degrees in Law have not been taken into account.

STATEMENTS, ETC., LAID ON THE TABLE.

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary): Sir, I lay on the table copies of the Declarations of Exemption under section 6 of the Registration of Foreigners Act, 1939, as published with the notifications of the Government of India in the Home Department—

- (1) No. 21/37/40-Political (E), dated the 21st December, 1940, and
- (2) No. 1/1/41-Political (E), dated the 28th January, 1941.

Declaration of Exemption.

No. 21/37/40-Political (E), dated the 21st December, 1940.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Mr. Naoyosi Abe, an official attached to the Japanese Consulate at Bombay, so long as he holds a post in that Consulate.

H. J. FRAMPTON,

Deputy Secretary to the Government of India.

Declaration of Exemption.

No. 1/1/41-Political (E), dated the 28th January, 1941.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to, Mr. K. Ohta, an official attached to the Japanese Consulate General at Calcutta, so long as he holds a post in that Consulate-General.

H. J. FRAMPTON,

Deputy Secretary to the Government of India.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE.

THE HONOURABLE MR. H. C. PRIOR (Labour Secretary) : Sir, I lay on the table the information promised in reply to—

- (1) Part (b) of question No. 79 asked by the Honourable Pandit Kunzru on the 29th November, 1940, and
- (2) Question No. 81 asked by the same Honourable Member on the 29th November, 1940.

GRANTS SANCTIONED FOR VARIOUS SCHEMES UNDER THE BOARD OF SCIENTIFIC AND INDUSTRIAL RESEARCH.

Statement laid on the table of the House with reference to the reply given by the Honourable Sir Alan Lloyd, to part (b) of question No. 79 on the 29th November, 1940.

Serial No.	Colleges and Universities where researches financed by the Board are being carried on.	Particulars of Schemes. (Item Nos. of the statement laid on the table of the House in answer to part (a) of question No. 79 on 29.11.1940.)	Amount sanctioned during
			1940-41 (upto 28-11-40).
			Rs.
1	Aligarh Muslim University, Aligarh	10	2,500
2	Benares Hindu University	1	1,500
3	Chemical Technology Department, University of Bombay, Bombay.	4, 18 and 27	3,150
4	University College of Science and Technology, University of Calcutta, Calcutta.	5, 8, 11, 13, 15, 24 and 25.	15,700
5	Indian Institute of Science, Bangalore	6, 9, 12, 16, 22, 23 and 28.	21,250
6	Osmania University, Hyderabad, Deccan	3	2,500
7	University Chemical Laboratories, Punjab University, Lahore.	7, 19 and 28	9,220
Total			55,820

PRODUCTION OF A SUITABLE LIQUID FUEL FROM OILSEEDS AND THE PRODUCTION OF POWER ALCOHOL.

Statements laid on the table of the House with reference to the reply given by the Honourable Sir Alan Lloyd to question No. 81 on the 29th November, 1940.

(a) Part (i).—No research schemes designed to produce a suitable liquid fuel from oilseeds are now being financed by the Government. Such research has been financed in the past in connection with the utilization of vegetable oils as Diesel engine fuels, and the results have been published.

Parts (ii) and (iii).—Power alcohol is a substitute for motor spirit and not for Diesel engine fuel; any comparison between the prices of the two would therefore be meaningless.

(b) The Central Government do not at present propose to take any steps to develop the production of power alcohol as the matter is primarily the concern of the Provincial Governments.

THE HONOURABLE MR. L. WILSON (Chief Commissioner for Railways) :
Sir, I lay on the table the information promised in reply to—

- (1) Part (b) (i) to (v) of question No. 93 and parts (a), (c) and (d) of question No. 94 asked by the Honourable Mr. P. N. Saprú on the 8th April, 1940; and
- (2) Parts (a) and (b) of question No. 92 asked by the Honourable Haji Syed Muhammad Husain on the 2nd December, 1940.

ASSISTANT STATION MASTERS, N. W. R.

Information promised in reply to parts (b) (i) to (v) of Honourable Mr. P. N. Saprú's question No. 93 on 8th April, 1940.

(b) (i) The scale of pay for the post of Assistant Station Master, grade V was revised from Rs. 250—10—300 to Rs. 260—10—300 with effect from 23rd June, 1928.

(ii) and (iii) There were 66 such posts of which it is known that 41 were held by Europeans and Anglo-Indians, four by Indian Christians, four by Parsis and one each by a Hindu, Muslim and Sikh. Information in respect of the incumbents of the remaining 14 posts is not available.

(iv) The attached statement gives the required information.

(v) The grade was abolished as it was no longer considered necessary to retain it for Assistant Station Masters.

Statement showing the number of Assistant Station Masters grade V communitywise on 1st January, 1938, 1st April, 1938, 1st August, 1938, 1st September, 1938 and 3rd October, 1938 on the North Western Railway.

Date.	Hindus.	Muslims.	Anglo-Indian and Domiciled Europeans.	Sikhs.	Indian Christians.	Jews.	Parsee.	Total.	Remarks.
1-1-1938 .	21	12	15	7	4	1	3	63	
1-4-1938 .	22	11	15	6	3	..	3	60	
1-8-1938 .	21	11	15	4	2	..	3	56	
1-9-1938 .	20	12	15	4	2	..	3	56	
3-10-1938 .	21	14	13	4	2	1	3	58	

ASSISTANT STATION MASTERS, N. W. R.

Information promised in reply to parts (a), (c) and (d) of the Honourable Mr. P. N. Sapru's question No. 94 on 8th April, 1940.

(a) The passing of T-5 Course and in Control renders an employee eligible, if otherwise considered satisfactory, to be placed on an approved list for promotion of Assistant Station Masters Grade V (now Grade IV) and Assistant Controllers. One such list was current from 1935 and names were added to it in 1938. No additions were made to this list in 1937 or 1939.

(c) Before 4th October, 1938 the posts of Station Masters Grade V, Assistant Station Masters Grade V and Assistant Controllers carried the same scale of pay (Rs. 260—10—300). Seniority in the grade was reckoned from the date each was confirmed in the grade. Their working and responsibilities varied. The normal channel of promotion of Station Masters Grade V was in their own line, i.e., to Station Master Grade VI, VII and VIII. Assistant Station Masters Grade V and Assistant Controllers were required to work for a certain period as Station Master Grade V and their further advancement depended upon fitness for promotion in the Station Masters' line, i.e., Station Master Grades VI, VII and VIII or to Control, i.e., Deputy Controller and Chief Controller.

(d) (i) For lack of vacancies 32 men out of those brought on to the list in 1938 had not received promotion by 1st March, 1940. There were no supersessions.

(ii) Seniority is determined in the order of the names on the list which now contains the names of only those who were placed on it in 1938. The passing of course T-7, which is in excess of the qualification required for promotion to Assistant Station Masters, Grade IV and Assistant Controller, does not confer any extra claims for such promotion.

(iii) The list was added to as the number on the list was in fact inadequate for day to day requirements.

(iv) Information in such details as asked for is not available.

(v) As regards the first part, the attached list gives the number and categories of staff on the approved list of Assistant Station Masters and Assistant Controllers after 4th October, 1938. As regards the latter part, the Honourable Member is referred to the reply to part (d) (ii).

Assistant Station Masters' List.

Category.	Number.
Guards	17
Traffic Canvassers	1
Enquiry Clerks	2
Platform and Luggage Inspectors	1
Station Masters	20
	—
	41
	—

Assistant Controllers' List.

Category.	Number.
Guards	9
Enquiry Clerks	4
Station and Assistant Station Masters	15
Special Ticket Examiners	3
	—
	31
	—

ATTENDANCE ON TRAINS BY THE SEVA SAMITI AT CERTAIN RAILWAY STATIONS OF THE E. I. R.

Reply to parts (a) and (b) of the Honourable Hazi Syed Muhammad Husain's question No. 92, asked on the 2nd December, 1940.

(a) Yes. In the past, limited numbers of the Seva Samiti, Boy Scouts and Muslim League volunteers have been allowed to render social service at certain railway stations during important melas. They have not been allowed to live in station buildings, but temporary arrangements have been made, where possible, to enable volunteers to rest when off duty.

(b) Yes. The offer was declined because the Hindustan Scouts Association had been rendering voluntary social service to passengers of all communities since 1930 and the Railway Administration wished to avoid increasing the number of volunteers.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR GENERAL

THE HONOURABLE THE PRESIDENT : I have to deliver to you four Messages from His Excellency the Governor General :

RAILWAY BUDGET.

"For the purposes of sub-section (1) of section 67A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, and in pursuance of rule 43 of the Indian Legislative Rules and of Standing Order 70 of the Council of State Standing Orders, I, Victor Alexander John, Marquess of Linlithgow, hereby appoint Wednesday, the 19th February, 1941, for the presentation to the Council of State, and Tuesday, the 25th February, 1941, for the General Discussion in the Council of State, of the statement of the estimated annual expenditure and revenue of the Governor General in Council in respect of Railways.

LINLITHGOW,
Viceroy and Governor General "

NEW DELHI ;
The 29th January, 1941.

GENERAL BUDGET.

"For the purposes of sub-section (1) of section 67A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, and in pursuance of rule 43 of the Indian Legislative Rules and of Standing Order 70 of the Council of State Standing Orders, I, Victor Alexander John, Marquess of Linlithgow, hereby appoint Friday, the 23rd February, 1941, at 5-30 P.M., for the presentation to the Council of State, and Wednesday, the 5th March, 1941, for the General Discussion in the Council of State, of the statement of the estimated annual expenditure and revenue of the Governor General in Council in respect of subjects other than Railways.

LINLITHGOW,
Viceroy and Governor General "

NEW DELHI ;
The 29th January, 1941.

"In pursuance of the provisions of sub-section (3) of section 67A as set out in the Ninth Schedule to the Government of India Act, 1935, I hereby direct that the heads of expenditure specified in that sub-section, other than those specified in clause (v) thereof, shall be open to discussion by the Council of State when the Budget for the year 1941-42 is under consideration.

LINLITHGOW,
Viceroy and Governor General "

NEW DELHI ;
The 31st January, 1941.

PANEL OF CHAIRMEN.

"In pursuance of the provisions of sub-section (2) of section 63A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, I, Victor Alexander John, Marquess of Linlithgow, hereby nominate the following Members of the Council of State to be on the Panel of Chairmen of the said Council of State :

In the first place, the Honourable Rai Bahadur Lala Ram Saran Das ; in the second place, the Honourable Sir David Devadoss ; in the third place, the Honourable Mr. R. H. Parker ; and lastly the Honourable Saiyed Mohamed Padshah Sahib Bahadur.

LINLITHGOW,

Viceroy and Governor General."

NEW DELHI ;

The 11th February, 1941.

 COMMITTEE ON PETITIONS.

THE HONOURABLE THE PRESIDENT : Honourable Members, under Standing Order 76 of the Council of State Standing Orders, I am required at the commencement of each session to constitute a Committee on Petitions consisting of the Chairman and four members. The following members have at my request kindly consented to preside over and serve on the Committee. I accordingly have much pleasure in nominating as Chairman of the Committee the Honourable Raja Charanjit Singh and as members, the Honourable Sir Ramunni Menon, the Honourable Mr. P. N. Saprú, the Honourable Pandit Hirday Nath Kunzru, and the Honourable Mr. Abdool Razak Hajee Abdool Sattar.

 WELCOME TO HIS EXCELLENCY THE COMMANDER-IN-CHIEF.

THE HONOURABLE THE PRESIDENT : Honourable Members, I am sure you will all like me to say a few words on His Excellency the Commander-in-Chief taking his seat in this Council for the first time after his arrival from England the other day. The appointment which His Excellency is called upon to fill, as you know, is the second most important appointment in the British Empire, and we are all very glad that his appointment to this high office has been hailed with approbation not only in England but in all parts of this country. Sir Claude is not new to us at all. He had many years of distinguished service in this country in which he made his name and has rendered himself so famous that when the war broke out his services were specially requisitioned in England for a much higher and greater command. His Excellency had to come back to India for some time on account of the exigencies of military administration in this country, which now forms so important a factor in this war, the problem of the future defence of India is so very great and important that an officer of his standing and experience was found necessary to take up this high post in this country ; and we are all very pleased that such a distinguished soldier has been appointed to this position. I have not the slightest doubt that in his hands the best interests of India are perfectly safe, and that he will guide the destinies of this country in such a way that there will be a most important and also a prosperous military position established in this country. As you are all aware, the first thing that His Excellency did in England was to be present in the Norwegian campaign and after that he filled other posts till he was called upon to defend a most important

position in England in the war, and that is, to take charge of the Southern Command. You know how risky, how important, how onerous and responsible that position was. He has now been called upon to come back to this country which we all hail with pride and to take up his position again in this country which he served for many years in many capacities with distinction and credit. His labours and his association in connection with the Chatfield Committee are fresh in our minds. He rendered very valuable help and aid to that Committee and fortunately for India he stressed before that Committee both modernization and mechanization of the army in this country, and with what success his suggestion was received is now merely a matter of common knowledge. I have not the slightest doubt that during his regime India will prosper and before he departs from this country and lays down the charge of his office, India will become a big military and a very impregnable military country. I am very glad, Sir, to see you here in our midst and we hope we shall frequently see you when you are in Delhi to discuss many important military questions in this Council. (Applause.)

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Sir, may I thank you and the Honourable Members of this House for the kind welcome you have given me and may I thank you, Sir, for your kind words about myself. I am afraid you have endowed me with a reputation which I do not deserve and which I will find very difficult to live up to, but I will do my best.

I would like on this occasion, now that I have had the privilege of being admitted as a Member of this distinguished House, to ask your permission to say a few words. I am entirely without parliamentary experience, but I do realize the very keen interest which is taken by Honourable Members of both Houses of the Central Legislature in matters of defence and I think that this interest has two sides to it, one which is connected with the responsibility which Honourable Members have to those whom they represent in this House and the other is connected, complementing the first I am glad to note, with the interests which all Honourable Members have in doing all they can to bring this war to a victorious conclusion. I too realize very keenly my duty towards Honourable Members and that it is my duty to give every possible attention and consideration to their views, and I shall do my best to do so. There is one point on which I would like to ask the indulgence of Honourable Members and that is this. Since I came back to this country less than a month ago I have realized—it has been forced on me—that however difficult and onerous the task of the Defence Member and Commander-in-Chief may be in peace time, it is very much more so in war, especially in a war of this kind ; and, as I see it, my first duty as head of the defence services in this country is primarily to devote all my energies towards ensuring that those services shall be so equipped and so organized as to make them capable of defeating our enemy wherever he may be and that task is no small one. It takes up and will take up a tremendous amount of my time. That being so, the indulgence I wish to ask is that if I am not as regular in my attendance in this House as I would like to be you will forgive me. All I can say is that whenever I can come in person I will do so (Applause), because I realize that it is very much my duty to keep touch with public opinion ; in fact it is absolutely essential that I should do so—particularly with the opinions expressed and the views held by Members of this House. I hope Honourable Members will accept my assurance on this point.

There is one other matter in which I would like to ask for the co-operation of Honourable Members and that is on the question of information. In war,

I think we all realize, there is a tremendous amount of information which cannot be disclosed to the public. However much the Government may wish to do so, it cannot be done because if such information is disclosed, it may be that many lives would be lost. So I will ask Honourable Members to help me in this way and if they can possibly avoid asking for information, either through questions or in the course of debate, which it is impossible to give for the reasons which I have given, I shall be extremely grateful. For my part, I will see that every bit of information that can be given will be given and I will personally make it my business to see that it is done. (Applause.)

CONGRATULATIONS TO RECIPIENTS OF HONOURS.

THE HONOURABLE THE PRESIDENT : Honourable Members, it is customary for the President of the Council of State to offer congratulations of the Council and his own congratulations to the recipients of honours in the last Gazette and in conformity with usual practice I rise on behalf of you all to congratulate Honourable Members. The most important title of Knight Commander of the Star of India was conferred on our old friend and colleague Mr. Dow who will shortly take charge of the gubernatorial office of Sind. He received his K.C.S.I. as a matter of course as the Governor of a Province, but I venture to state that he fully deserved that great honour.

On our former Secretary Mr. John Bartley, C.I.E., the honour of C.S.I. was conferred. Mr. Bartley is not known to many of you, but I may tell you that he was my Secretary in this Council for some time some years ago and subsequently he was also a member for a short time ; and latterly he has been put in an important Department where his work is not liable to be noticed by the public. In the Legislative Department, there is a Drafting Department where the work is most onerous and responsible and one of the members of that Department is in charge of that and Mr. Bartley has performed the task with such credit to himself that this honour of C. S. I. has been conferred on him which we are all very pleased to see our former Secretary and my friend Mr. Bartley receiving. I am personally indebted to Mr. Bartley for the services he rendered to me as Secretary here and I have not the slightest doubt that all those of you who know him here will appreciate this mark of distinction given to him.

The next name which I have to refer to is that of Mr. Shavax Lal, our present young and energetic Secretary, who has, during the time he has been in this Department, done wonderfully well, and he has received the title of Companion of the Indian Empire. I have always had a very high opinion of Mr. Lal and have not the slightest doubt that in the years to come he will occupy perhaps many important posts and receive higher honours. (Applause.)

GOVERNOR GENERAL'S ASSENT TO BILLS.

SECRETARY OF THE COUNCIL : Sir, information has been received that His Excellency the Governor General has been pleased to grant his assent to the following Bills which were passed by the two Chambers of the Indian Legislature during the Autumn session, 1940, namely :—

1. The Indian Works of Defence (Amendment) Act, 1940.
2. The Indian Navy (Discipline) Amendment Act, 1940.
3. The Indian Navy (Discipline) Second Amendment Act, 1940.

4. The Cantonments (Amendment) Act, 1940.
5. The Repealing and Amending Act, 1940.
6. The Indian Registration (Amendment) Act, 1940.
7. The Code of Civil Procedure (Amendment) Act, 1940.
8. The Code of Criminal Procedure (Amendment) Act, 1940.
9. The Indian Companies (Amendment) Act, 1940.
10. The War Donations and Investments (Companies) Act, 1940.
11. The Reserve Bank of India (Third Amendment) Act, 1940.
12. The Motor Spirit (Duties) Amendment Act, 1940.
13. The Indian Income-tax (Amendment) Act, 1940.
14. The Indian Sale of Goods (Amendment) Act, 1940.
15. The Excess Profits Tax (Amendment) Act, 1940.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL : Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the following Bills which were passed by the Legislative Assembly at its meetings held on the 14th and 17th February, 1941, namely :—

A Bill to provide for the reduction temporarily of the amounts payable as instalments of the sum to be deposited by an insurer under section 7 of the Insurance Act, 1938.

A Bill further to amend the law relating to fraudulent marks on merchandise.

PRESENTATION OF THE RAILWAY BUDGET FOR 1941-42.

THE HONOURABLE MR. L. WILSON (Chief Commissioner for Railways) : Sir, I have the honour to present to the Council the statement of revenue and expenditure of the Governor General in Council in respect of the Indian Railways for the coming financial year.

Accounts for 1939-40.

2. I shall first deal with the results of 1939-40. Last year at this time my predecessor estimated that we would finish the year with a surplus of 3.61 crores. In the event, however, our receipts were 35 lakhs higher and our expenditure 50 lakhs less than our estimates, there was a small increase in interest charges and the actual surplus reached the figure of 4.33 crores, the whole of which, under the "moratorium" approved by the Legislature, was paid as contribution to the general revenues. This sum fell short by 30 lakhs of our liability to general revenues under the Convention.

Revised Estimates, 1940-41.

3. When the Budget for the current year was prepared, the war was only 5 months old and the atmosphere was full of uncertainty. There had been an improvement in traffic after the out break of war and it was assumed that some improvement would be maintained, allowance was also made for the

effect of the increase in rates and fares introduced from 1st March, 1940 and the gross earnings were put at 103 crores. In fact the improvement to the end of November was more substantial than was originally anticipated; there was a set-back in the month of December but a phenomenal improvement in January and we now expect that our receipts will be 109½ crores, about 11½ crores better than 1939-40 and 6½ crores better than our original budget estimate. On the expenditure side, the effect of the rise in prices has not been as considerable as was anticipated, and the saving on this account on our original estimates may be taken at about half a crore. But Government have at present under consideration the report of the Court of Enquiry, which was appointed in August last to examine the question of war dearness allowance to the employees on the Great Indian Peninsula Railway. Government's intention is to apply any principles, which may be adopted for the Great Indian Peninsula Railway, to other railway servants in their employ to whom they might be equally applicable. We are not in a position to anticipate the decision of Government on the recommendations of the Court, but for estimating purposes we cannot ignore the possibility of having to incur expenditure on dearness allowance this year. Further, the phenomenal rush of traffic in January, to which I have alluded, must be reflected in increased working expenses. To meet these two contingencies, we have provided in the revised estimates the sum of half a crore. In consequence, we have placed our revised estimate of working expenses, including depreciation, at 66.71 crores which is about the same figure as the original estimate. We now expect to have a surplus this year of a little over 14½ crores.

4. The moratorium, whereby, with the approval of the Legislature, railway revenues have been relieved of the liability to repay the loans taken from the depreciation fund and to repay the arrears of contributions due to general revenues, is current until the 31st March 1942, and if we were to take advantage of this, the surplus, under the Convention of 1924, would be divisible as follows:—

7.15 crores	to general revenues for 1940-41 (including 30 lakhs arrears for 1939-40), and
7.44 crores	to railway reserve.

But with a view to assist general revenues in the present emergency, it is proposed that, out of the sum of 7.44 crores payable into the railway reserve, 1.82 crores representing the approximate amount due to general revenues in 1942-43 under clause (2) of the Convention, should be held in reserve for transfer to general revenues next year as an advance payment of what will be due in 1942-43, and that half of the balance that is 2.81 crores, should this year be paid to general revenues. General revenues will then get 9.96 crores in 1940-41. Of the remaining 4.63 crores, after earmarking the 1.82 crores required for the advance payment to general revenues next year, we propose to utilise 1 crore towards writing down part of the capital cost of the State-managed lines which have been dismantled during the year and to devote the balance towards building up our railway reserve, the sum at credit of which now stands at the very inadequate figure of about 49 lakhs. At the end of the year, and excluding the sum of 1.82 crores earmarked for payment to general revenues next year, its balance will be 2.30 crores.

The cost of the lines dismantled during the course of the year is about 190 lakhs, and we expect to receive 50 lakhs from the sale of the released materials.

• We estimate that about 40 lakhs has already been contributed in respect of these lines to the depreciation fund since its inception, and we consider that

[Mr. L. Wilson.]

the net burden on the fund arising out of the dismantling, after allowing for the 50 lakhs credit we expect, should be limited to this sum. It is for this reason that we are allocating to meet the balance of the total write-off involved, the sum of 1 crore I have already mentioned, from the railway share of the revenue surplus.

The contribution from revenue to the depreciation fund during the current year will be 12·64 crores. Expenditure from the fund, with which I shall deal later, will be a little over 8½ crores. The balance in the fund at the close of the year will, therefore, be 35·13 crores.

Revenue in 1941-42.

5. We now come to the budget for the year 1941-42. It is difficult to form an estimate of what may happen this year which has less than two months to run, and it is still more difficult to make an estimate of what our earnings and working expenses are likely to be in the coming year with trade conditions and the international situation so uncertain. We are, therefore, unable to do better than assume that our receipts will be closely related to those of the current year. I have already mentioned the phenomenal increase in earnings in January this year and we feel that, when relating next year's earnings to the earnings of this year, we should discount this increase by one crore and, subject to this reduction, take the same figures for the earnings of both years, that is, against 109½ crores in the current year take 108½ crores for 1941-42.

Expenditure from Revenue in 1941-42.

6. Our estimate for working expenses including depreciation has been placed at 68·60 crores which is an increase of about 2 crores on the current year's figure. This increase is mainly accounted for by the anticipated increase in the cost of repairs and maintenance and by the provision for dearness allowance to certain low-paid staff for the whole year. After allowing for a reduction of 14 lakhs in interest charges, we estimate the year's working should result in a surplus of about 2½ crores less than in the current year, that is 11·83 crores against 14·59 crores.

7. The contribution payable to the general revenues for the next year under the Convention and with the moratorium still in force is 6·14 crores. But after the payment of this contribution the budget has been framed on the assumption that we assist general revenues out of the remaining 5·69 crores in the same manner as is proposed in the current year. This would mean that 2·22 crores will be allocated to general revenues and a sum of 3·47 crores to railway reserve. Of the latter amount 1·25 crores represents a liability to general revenues in 1943-44 under clause (2) of the Convention. We also, as I have already mentioned, propose to withdraw the sum of 1·82 crores paid into the railway reserve this year and transfer it to general revenues as advance payment of the contribution due in 1942-43. The total contribution to the general revenues would thus be 10·18 crores and the amount transferred to the railway reserve fund 1·65 crores, bringing the total in the fund to 5·77 crores, including the liability to general revenues of 1·25 crores. This is a very small reserve in view of the fact that in the five years following 1924-25 when the reserve fund was opened, a sum of 18½ crores was accumulated and that during the depression period which followed, this amount, with the exception of about ½ crore which was invested, was used up in 3 years and afterwards railways failed to meet their obligations to general revenues to the extent of 35 crores and also had to borrow 30 crores from the depreciation fund to meet interest

charges. A reserve of about 83 crores would, therefore, have been necessary to enable railways to meet their obligations, without borrowing, during the last depression period. The appropriation to the depreciation fund during 1941-42 will be 12·68 crores and the withdrawals about 6½ crores ; the balance at credit of the fund at the end of the year will be about 41 crores.

Capital and Depreciation.

8. I shall now turn to our expenditure under capital and from the depreciation fund. During the current year, our revised estimate allows for an expenditure of 2¼ crores under capital and a little more than 8¼ crores under depreciation fund. In the 2¼ crores under capital is included the sum of 1½ crores on account of the purchase price of the Bengal Dooars Railway. In regard to the depreciation fund, I have already alluded to the sum of 40 lakhs which will be the net debit to it on account of lines being dismantled this year. In addition to this sum, we propose also to write-off to the depreciation fund the sum of 41 lakhs which represents the value in the balance sheets of State-managed railways (Commercial) of assets which were abandoned prior to 1924 but have remained at the charge of capital. The remaining expenditure against the fund, somewhat less than 7½ crores, is mainly for replacements and renewals.

9. Our programme for 1941-42 includes 4·87 crores for the purchase of the Assam Bengal and the Bombay, Baroda and Central India Railways. for which provision has been made in full. The sums allotted for open line works, are about 6 crores for track renewals, ¾ crore for bridges and 2½ crores for other structural works. The programme also provides a little over 4½ crores for rolling stock and 67 lakhs for an increase in stores balances of railways, which has been necessitated by the present day situation. From the total provision for open line works, we have deducted about 19 per cent. to allow for railways being unable to spend the full amount and estimate the expenditure, including the purchase of the two railways, at 15½ crores of which 8½ crores is chargeable to capital and about 6½ crores to depreciation fund.

10. I will now briefly mention some aspects of the activities of Railways in the light of the past year's experience.

11. As fore-shadowed in last year's budget speech the Hours of Employment Regulations have been extended to the Assam Bengal and Bengal Nagpur Railways, with effect from the 1st January 1941. This completes the application of the Regulations to all State-owned Class I Railways.

12. In accordance with the motion adopted in this House last year, it has now been decided to place the Government Inspectors of Railways under an authority other than the Railway Board and it is hoped to bring the new Inspectorate into being shortly. The new Inspectorate will be attached to the Department of Communications and, as this Department is not staffed by officers with experience in railway operations, it will include a Chief Inspector who will be the principal technical adviser to Government on matters with which the Inspectorate is concerned. The existing cadre consists of five Inspectors ; the new cadre will have the same number and in addition the Chief Inspector and an Assistant who will when required take over the duties of an Inspector on leave. The cadre will be recruited as at present from Engineers on State-managed railways with the exception of the Chief Inspector who may be recruited from either a State or a Company-managed railway. The officers appointed to the cadre will sever all connection with railways and will not thereafter be eligible for any appointment under the Railway Board.

[Mr. L. Wilson.]

13. Last year my predecessor referred to certain measures for the benefit of the staff, which were then under consideration. These related to the Provident Fund and Government have since decided that, with effect from 1st January 1941, all those railway employees who do not at present subscribe to the Fund and who have completed 16 years' service may, at their option, subscribe to the Fund; also certain anomalies which existed as between one railway and another have to a great extent been removed by extending the option to all those who were not formerly subscribers and whose emoluments are more than Rs. 30 a month.

14. I am aware that Honourable Members take particular interest in the proposals to build broad gauge locomotives in India and I would like to be able to say that action had been further advanced than has, in all the circumstances, been found possible. In the present emergency it has not been possible to proceed with the design of a workshop suitable for locomotive building on a large scale, further all available skilled labour, machine tools and materials are required for war work. The shops reported on as suitable for conversion for locomotive building have therefore been handed over to the Supply Department for war work and the normal locomotive repair work transferred to the shops of other railways. If as is expected this redistribution of the repair work proves satisfactory, the way will be open for the building programme at the end of the war. Meanwhile valuable experience will be gained in the construction of broad gauge locomotives at the Ajmer shops of the Bombay, Baroda and Central India Railway, for in addition to the normal work of constructing metre gauge locomotives, work is now being started on orders for 25 light type broad gauge locomotives for the North Western and Great Indian Peninsula Railways. We expect that the first broad gauge locomotive built at Ajmer will be ready at the end of 1942 but this will depend on the availability of the material to be imported, in regard to which the position is at present somewhat obscure.

15. Similar uncertainty exists as regards the supply of boilers and boiler plates for maintenance of locomotives and, whilst every endeavour is being made to obtain supplies, there will be delays and a risk of a consequent shortage of power. The supply of wheels and axles for wagons is in arrears and here also we must be prepared to face a shortage. As regards stores generally, it has for many years been our policy to utilise, as far as available, suitable indigenous products and of these only the supply of steel is causing anxiety and strict economy is being exercised, *e.g.*, we are limiting our coach building to the number of new underframes in stock and to rebuilding on old underframes. Wood sleepers are being ordered instead of steel for sections of the railways where normally steel would be used. We are already aware that the supply of new rails will probably be less than half our normal requirements and, with the ever increasing demand for munitions, the position may further deteriorate. I am not taking a pessimistic view of the situation and trust that, throughout the emergency, we shall be able to carry the traffic offering though there may be some delay in handling it in peak periods.

16. My predecessor last year mentioned the appointment of a Committee to report on measures to be taken to improve the utilisation of wagons and the recommendations of this Committee have already resulted in considerable improvement in this direction. He also mentioned works to be taken in hand on the East Indian Railway which will increase the line capacity on the congested sections of that railway. Those works are in hand and will, when completed, afford substantial relief.

17. The Transport Advisory Officer who was appointed in January 1940 has been of great assistance in improving the supply of wagons to the collieries and in the distribution of the loaded wagons. He has worked in close co-operation with the Wagon Supply Committee, the three Calcutta Railways, the Director of Wagon Interchange and the Chief Mining Engineer, all of whom, I understand, make good use of his advice.

18. The war has had a great effect on all our activities. We have had to handle additional traffic which, of course, is our proper business, but we have been able to give assistance in the war effort in directions outside our normal activities. We cannot, of course, compare our effort with that which is being made by English Railways, which are in the battle area, but we can take credit for such efforts as we have been called upon to make. Our workshops are, in addition to their normal work, employed to an ever increasing extent on the manufacture of munitions besides which certain shops have been, and others shortly will be, entirely employed on war work. We are also training a large number of skilled work-men for munitions production. These men, on the completion of their training, will be employed either in railway workshops, or in other shops, employed on war work.

19. Many railway officers have been released not only for service in Railway Technical Units but for work in other departments, including the Supply Department, in connection with the war. A number of Reserve officers have rejoined their Units and the majority of the R. E. officers have been recalled to military duty. Apart from gazetted officers, other railway employees have volunteered and have been accepted for combatant and non-combatant service chiefly, of course, in the Railway Technical Units where their professional abilities will be utilised to the best advantage.

20. Honourable Members are already aware that railways have been called upon to supply track for essential military purposes and that, after spare stocks were exhausted and taking into account track which would be released by our relaying programme within the required time, it was necessary to dismantle certain branch lines. Great care was given in the selection of the lines to be dismantled and the branches closed were those with suitable track which were unremunerative or insufficiently remunerative and which served areas provided with other forms of transport facilities. In every case the Provincial Government, or the Indian State concerned, was consulted. The branches selected for dismantlement cover a mileage of 348, of which the track or branches covering 137 miles has been lifted, branches covering 123 miles are in process of dismantlement and work on a branch of 88 miles will immediately be taken in hand. I am not in a position to say what further assistance in this direction railways will be called upon to give, but Honourable Members may rest assured that, if any steps are taken, the necessity will be a real one and that the search for an alternative to dismantlement, which we have made from the beginning, will continue.

21. On this occasion each year it is the privilege of the chief Commissioner of Railways to refer with pleasure to the services rendered by the staff on Indian Railways. I am sure none of my predecessors has had better reason than I have this year for doing so. The highly experienced staff is being reduced by war demands, especially in the officers and supervising cadres involving frequent change in charges and this at a time when they are called upon to deal with an increased traffic and with the initiation and execution of new activities to some of which I have already briefly referred. The response all along the line has been admirable and with an *esprit de corps* second to none, I look to the future with confidence. (Applause.)

STATEMENT OF BUSINESS.

THE HONOURABLE SIR GIRJA SHANKAR BAJPAI (Leader of the House) : With regard to the business for next week, Sir, we propose to take up the general discussion of the Budget Statement presented by the Chief Commissioner for Railways this morning on Tuesday the 25th, and on Wednesday the 26th we propose to take up the two Bills passed by the Legislative Assembly copies of which have been laid on the table of the House to day.

The Council then adjourned till Eleven of the Clock on Tuesday, the 25th February, 1941.