

20th March 1946

THE LEGISLATIVE ASSEMBLY DEBATES

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FIRST SESSION

OF THE

SIXTH LEGISLATIVE ASSEMBLY, 1946



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LEGISLATIVE ASSEMBLY

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SHRI SRI PRAKASA, M.L.A.

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SARDAR MANGAL SINGH, M.L.A.

LEGISLATIVE ASSEMBLY

Wednesday, 20th March, 1946

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Mr. G. V. Mavalankar) in the Chair.

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

ZONE CIRCULAR TICKETS

†1081. *Shri Sri Prakasa: Will the Honourable the Railway Member please state:

(a) if the various Railways in India had a system of issuing Zone Circular tickets;

(b) if the same has been discontinued, if so, why; and

(c) if the system is likely to be introduced at an early date?

The Honourable Sir Edward Benthall: (a) Yes.

(b) Yes, with a view to discouraging travel.

(c) The question of the re-introduction of such tickets will be considered when conditions of passenger travel return to normal, but this is not likely to be at an early date.

RESERVATION OF BERTHS ON B. B. & C. I. RAILWAY

†1082. *Shri Sri Prakasa: Will the Honourable the Railway Member please state:

(a) if it is a fact that the B. B. & C. I. Railway have discontinued all reservation of berths for the second class passengers;

(b) if the system of such reservation continues in the first class; and

(c) if only seats are reserved for the second class passengers even at nights; if so, in how many seats a berth is usually divided?

The Honourable Sir Edward Benthall: (a) No. The discontinuance of reservation of berths for second class passengers has been done in respect of particular trains only.

(b) Yes.

(c) Yes. Seating accommodation only is provided at night for second class passengers where reservation of berths has been discontinued. Reservation of seats is made at the rate of three seats per lower berth.

PUBLIC AMENITIES ON BAKHTIARPUR BIHAR LIGHT RAILWAY

†1083. *Shri Sri Prakasa: Will the Honourable the Railway Member please state:

(a) the fares of the different classes on the Bakhtiarpur Bihar Light Railway;

(b) if the Nalanda Railway Station, which is a pilgrim centre, is not provided even with a bench for passengers;

(c) if even at Biharsharif, another pilgrim centre, there is no arrangement for supply of water to passengers;

(d) if very few carriages are provided with lights, and if there is always overcrowding in the compartments; and

(e) if he proposes to impress upon the Administration concerned the desirability of improving their working in all particulars?

†Answer to this question laid on the table, the questioner being absent.

The Honourable Sir Edward Benthall: (a) First class—Two annas per mile.
Second class—One anna per mile.

Inter class—Nine pies per mile.

Third class—Six pies per mile.

(b) Benches are not provided, but the provision of a Waiting Room is under consideration by the Administration of the railway.

(c) Arrangement for supply of water is made.

(d) Government understand that carriages are provided with lights and that every effort is being made to replace stolen or damaged train lighting bulbs to the greatest extent possible. Government are also aware of there being overcrowding which is unavoidable under present conditions.

(e) The attention of the authorities of the Railway will be drawn to this request.

**EFFICIENT WORKING OF OFFICE OF CHIEF COMMERCIAL MANAGER, E. I. RAILWAY
AT BENARES THAN AT CALCUTTA**

†1084. ***Shri Sri Prakasa:** Will the Honourable the Railway Member please state:

(a) if it is fact that the office of the Chief Commercial Manager of the East Indian Railway has been working at Benares for sometime past;

(b) if this office has been able to deal with matters connected in the United Provinces with greater efficiency than was possible from Calcutta; and

(c) if it is the intention of the Administration to make this office permanent?

The Honourable Sir Edward Benthall: (a) No, Sir. The Claims Office, which forms an integral part of the Headquarters Commercial Organisation was, excluding the Howrah Branch, transferred to Benares. Another section of the Claims Office, dealing with compensation claims relating to parcel consignments booked to Howrah and Calcutta stations as well as goods and parcels traffic booked to other stations on the Howrah Division was retransferred from Benares to Calcutta in August, 1944.

(b) The work of the Claims Office cannot be considered in relation to any particular locality, but must be considered in relation to the E. I. Railway Administration as a whole.

(c) The Claims Office is already a permanent organisation. If the Honourable Member's intention is to ask whether this office will be permanently located at Benares, the answer is in the negative.

APPOINTMENTS OF U. N. O. SECRETARIAT

†1085. ***Prof. N. G. Ranga:** Will the Foreign Secretary be pleased to state:

(a) if he has seen the Reuter's message of February 17, regarding the appointments of the U.N.O. Secretariat;

(b) if the Government of India or their Delegation were consulted before these appointments were made;

(c) whether the Government of India or their Delegation have asked for adequate representation on the Secretariat of the U. N. O. if not, why not; and

(d) the nature and extent of representation that India has been promised and has been given so far?

Mr. H. Weightman: (a) Yes.

(b) No. These appointments were made by the Secretary General in the exercise of authority delegated to him by the General Assembly on which India is represented.

†Answer to this question laid on the table, the questioner being absent.

(c) and (d). It was decided by the General Assembly that permanent recruitment to the Secretariat will be made on a regional basis in accordance with recommendations made by an International Civil Service Commission. The Honourable Member's attention is invited to the Press communique, dated 26th February, 1946, regarding recruitment of Indians to the Secretariat.

NUMBER OF DETENUS UNDER BENGAL REGULATION III OF 1818

†1086. *Prof. N. G. Ranga: With reference to the answer given on the 21st February, 1946 by the Honourable the Home Member to starred question No. 412 regarding the number of detenus under Regulation III of 1818 of Bengal, will the Foreign Secretary be pleased to state:

(a) whether the Executive Council is consulted before detention orders are passed under Regulation III of 1818, of Bengal; and

(b) whether the Executive Council is consulted at any later stage to decide for how long detentions are to continue and when they are to terminate?

Mr. H. Weightman: (a) and (b). Orders of detention are passed by Government and cases of detenus under Regulation III of 1818 are periodically reviewed by Government.

I am unable to give information relating to the proceedings of the Executive Council.

APPEAL OF MOHD. KHALIL, COOLY SUPPLIER, E. I. RAILWAY

†1087. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable the Railway Member please lay on the table of the House a statement showing the number of cooly contractors on the East Indian Railway, and how many of them are Muslims?

(b) Is it a fact that one, Mohd Khalil, an experienced cooly supplier, supplied for contract, but it was rejected and then his appeal was recommended by Sir Allen Parson which was also rejected on the ground that the contract is given only to the retired Railway servants?

(c) Are Government aware that the plea was incorrect as the contract was given to two outsiders *vis.* R. B. Saligram and Messrs. Maiden?

The Honourable Sir Edward Benthall: (a) (1) Number of contractors other than Railway staff.—33.

(2) Number of Muslim Contractors.—4.

(3) Number of contracts held by Station Masters.—14.

(b) It has not been possible at this distant date to trace the applications referred to or the replies given to them.

(c) Does not arise.

RE-MODELLING OF CUDDORE AND TINDIVANAM RAILWAY STATIONS ON N. T. AND S. I. RAILWAYS

1088. *Sri B. Venkatasubba Reddiar: (a) Will the Honourable the Railway Member be pleased to state if it is a fact that repeated representations have been received for re-modelling the Cuddore N. T. Railway Station and Tindivanam Railway Station in the South Indian Railway Meter Gauge main line?

(b) Are Government aware that the stations referred to do not have waiting rooms worth the name, covered platforms and passenger sheds with sufficient capacity?

(c) Are Government aware that the main trains at both the stations arrive between 11 A.M. to 3 P.M. in the day and 11 P.M. to 3 A.M. in the night

† Answer to this question laid on the table, the questioner being absent.

and the passengers are exposed to severe sun and rain as platforms are not covered?

(d) Are Government aware that the first mentioned station is a District Headquarters station and the other has got the Headquarter of a Sub-Collector's Division?

(e) Are Government aware that the daily earnings at each of the above stations are near by one thousand rupees?

(f) Do Government propose to re-model the stations at an early date?

The Honourable Sir Edward Benthall: (a) and (f). The reply is in the affirmative. The remodelling of the two stations has been included in the post-war plan during 1947-48 and 1950-51 respectively.

(b) There is a rather out-of-date common waiting room for both men and women at these stations. The platforms are not covered. The provision of more waiting accommodation for 3rd class passengers, separate waiting rooms for upper class passengers to modern standards, and covered platforms will be considered when the remodelling plans for these stations are taken in hand.

(c), (d) and (e). Yes.

Sri M. Ananthasayanam Ayyangar: Have the Government planned to remove those defects and remodel all the stations on the South Indian Railway?

The Honourable Sir Edward Benthall: That does not arise out of this question.

Sri M. Ananthasayanam Ayyangar: It arises in this way. The Honourable Member said that the remodelling of these stations had been included in the post-war plan from such and such period to such and such period. To avoid similar questions that may come up, I would ask the Honourable Member to let the House know whether all such defects in various stations are covered by the post-war scheme?

The Honourable Sir Edward Benthall: There is a general plan, but I should have to answer questions in respect of each station separately.

Sri M. Ananthasayanam Ayyangar: Has the scheme been prepared in consultation with the Railway Advisory Council or with the Standing Finance Committee?

The Honourable Sir Edward Benthall: No, Sir.

Sri M. Ananthasayanam Ayyangar: Will that plan be placed before the House at any time for discussion as to what the needs are?

The Honourable Sir Edward Benthall: No, Sir. It is a matter for the local Advisory Council.

Sri M. Ananthasayanam Ayyangar: Has it already been sent or is it going to be sent to the Local Advisory Council?

The Honourable Sir Edward Benthall: I could not tell you whether these particular stations have been discussed by the Local Advisory Council, but it is a local matter.

Sri R. Venkatasubba Reddiar: The Honourable Member said that it had been included in the post-war plan during 1947-48 and 1950-51. Will the Honourable Member expedite putting up those shade on platforms, if possible?

The Honourable Sir Edward Benthall: There is a programme covering the whole line phased as in the case of these two stations.

Sri M. Ananthasayanam Ayyangar: Is it a complete five-years programme or is there going to be another programme for a later period?

The Honourable Sir Edward Benthall: No, Sir. Railways have prepared a programme covering the whole Railway, but it cannot be done at once, and therefore it has been divided into different years.

Sri M. Ananthasayanam Ayyangar: I want to know whether the period of time is divided into two periods covering five years each in which all the defects are to be removed?

The Honourable Sir Edward Benthall: So far as I can recollect it is a five-year programme to begin with.

CONSTRUCTION OF RAILWAY LINE FROM JACOBABAD TO KASHMORE THROUGH UPPER SIND FRONTIER

1089. *Seth Yusuf Abdoola Haroon: Will the Honourable the Railway Member please state:

(a) whether it is a fact that Government have sanctioned the construction of a broad gauge line from Jacobabad to Kashmore;

(b) whether it is a fact that Government or the North Western Railway have received a representation from the people of the upper Sind frontier that the Railway line from Jacobabad to Kashmore should go through from Thul to Khandhkot via Karampur and Jhounspur;

(c) Whether it is a fact that Government or the North Western Railway have received a representation from the people of the upper Sind frontier that the Railway line from Jacobabad to Kashmore should go through from Shikarpur or Habibkot to Khandhkot via Khanpur and Ghauspur;

(d) what action Government intend taking on the above representations; and

(e) whether Government propose to construct these lines as suggested in the representations; if not, why not?

The Honourable Sir Edward Benthall: (a) The conversion of the Jacobabad/Kashmore narrow gauge line to a broad gauge line is a project approved for investigation.

(b) and (c). Representations referred to by the Honourable Member have been received both by the North Western Railway and by the Railway Board.

(d) Suggestions of this nature would be considered during the investigations.

(e) Decisions could be taken only after the survey reports have been received and duly considered.

Seth Yusuf Abdoola Haroon: May I know from the Honourable Member how long this survey will take because, I believe, it has already taken about seven months?

The Honourable Sir Edward Benthall: The actual field work has not been started. I think it is a fairly long line, and I doubt if it could be finished in this surveying season.

Seth Yusuf Abdoola Haroon: It is about 40 miles only.

Mr. Muhammad Nauman: May I know whether the survey report will be placed before the Standing Finance Committee for consideration?

The Honourable Sir Edward Benthall: The procedure is that all these projects are ultimately placed before the Standing Finance Committee.

Sri M. Ananthasayanam Ayyangar: May I know if it is a new line or is it in place of a narrow gauge line?

The Honourable Sir Edward Benthall: I refer the Honourable Member to my answer to part (a) of the question.

Sri M. Ananthasayanam Ayyangar: Is it a general scheme to convert all meter gauges into broad gauges so that there is a uniform standard for the whole of India?

The Honourable Sir Edward Benthall: No, Sir.

Sri M. Ananthasayanam Ayyangar: Are individual cases taken up from time to time for the purposes of connecting two broad gauge lines?

The Honourable Sir Edward Benthall: Not necessarily. Each case is considered on its merits.

Sri M. Ananthasayanam Ayyangar: May I know what considerations have prevailed in deciding to convert this meter gauge line to a broad gauge line?

The Honourable Sir Edward Benthall: The circumstances on the line including strategic requirements.

Prof. N. G. Ranga: Have Government considered the financial implications and also the advisability of converting meter gauge lines into broad gauge lines?

The Honourable Sir Edward Benthall: Yes, Sir.

Prof. N. G. Ranga: How much has it been found to cost more if all meter gauge lines are to be converted into broad gauge lines?

Mr. President: The Honourable Member is referring to this particular line or generally?

Prof. N. G. Ranga: Generally.

Sri M. Ananthasayanam Ayyangar: It is a general scheme.

Mr. President: It does not arise out of this question. Next question.

DISPOSAL OF UNITED STATES ARMED FORCES SURPLUS PROPERTY IN INDIA

1090. ***Mr. Ahmed E. H. Jaffer:** (a) Will the Honourable Member for Industries and Supplies be pleased to state if it is a fact that within six weeks of the publication by Government of the details of the agreement between the United States Foreign Liquidation Commission and the Government of India, there has been a radical alteration in the method of disposal of the United States Armed Forces surplus property in India?

(b) What were the reasons for the alteration in the method of disposal of this property?

(c) What is the gross value of the property, in question, in rupees?

(d) Is it a fact that the approximate amount of money that India is to pay to the United States of America is provisionally put at 500 million dollars that is £125 million sterling?

(e) How is it proposed to produce this colossal sum at this juncture having regard to other large financial commitments?

(f) Will Government be pleased to state some of the advantages to India arising from this agreement?

(g) Will there be more than one agency functioning for the sale of surplus goods and how long do Government consider it will take before both the Government of India's disposal organisation and general public are able to adjust themselves to this sudden change in the position regarding surplus stores in the country which involve enormous sums of money?

(h) To what extent will the Indian tax-payers be affected by this financial transaction?

The Honourable Mr. A. A. Waugh: (a) and (b). Last September the United States Government authorities constituted a Mission to dispose of U. S. military surpluses in India, Burma and China. The principles on which sum surpluses would be disposed of in India by the American Liquidation Authorities were agreed with the Government of India on 24th September last, and were announced in a Press Note. On 24th December last the U. S. Government agreed to sell to the Government of India all U. S. Government surplus property in India not already sold or offered for sale by their Foreign Liquidation Commission or withdrawn for military purpose. The reasons leading to this agreement were stated in a Press Release, dated 27th December, 1945, of which I lay a copy on the table.

Discussions as to the means of implementing this block take-over of U. S. military surpluses were carried on during January and February. The results of these discussions were stated in a Press Release, dated 28th February, of which I lay a copy on the table.

(c), (d), (e) and (h). A mission is shortly leaving for Washington to discuss these matters with representatives of the U. S. Government. Meanwhile comment on valuations is not possible, but the Honourable Member will appreciate that book values and residual values are two very different things.

(f) and (g). I would refer the Honourable Member to the reasons for the change set forth in the Press Releases, dated 27th December, 1945, and 28th February, 1946, referred to in replies to parts (a) and (b) of the question.

PRESS RELEASE

27th December 1945.

The U. S. Government has agreed to sell to the Government of India all U. S. Government Surplus Property in India which has not already been sold or offered for sale by the Foreign Liquidation Commission and which will not be withdrawn for military purposes. This agreement was reached on December 24, 1945, at a meeting in New Delhi of representatives of the two Governments.

Exempted from the agreement will be all property which is now in the process of being sold to private buyers, as well as property which may be required by UNRRA up to January 15, 1946. With these exceptions, the agreement covers all surplus property which the Foreign Liquidation Commission has been or will be authorised to sell. This means that the Government of India will take over a vast tonnage of United States property, possibly in excess of 600,000 long tons with a book value probably in excess of \$500,000,000.

This figure does not, however, represent the actual sale price, which is to be agreed upon at a meeting in Washington D. C. in January or February 1946, at which representatives of the two Governments will settle questions arising from Lend-Lease, reciprocal and obligations, and other matters arising from the war.

The property will be turned over at dates to be agreed upon between the Commanding General, India Burma Theater, the Foreign Liquidation Commission and the Government of India. Dates of turnover will probably be determined by the progressive evacuation of depots now in the hands of United States Forces.

By the terms of this new agreement, the U. S. Government signalizes a fundamental change in its policy of selling surplus property. Heretofore, all sales have been made on the basis of priorities which were set up in the following order:—

1. U. S. Government Agencies and UNRRA.
2. Charitable, educational and religious institutions.
3. Agents or Representatives of American Manufacturers of branded articles.
4. Foreign Governments.
5. General Public.

The Foreign Liquidation Commission, India-Burma Theater has already sold a substantial quantity of surplus goods to these five groups. *These sales will go through as planned.* The rights of these buyers will be scrupulously protected. However, this system will be discontinued, and all property declared surplus in the future will be automatically taken over by the Government of India.

By means of this agreement the two Governments expect to attain the following objective:—

1. The evacuation of U. S. troops from India will be accelerated.

2. The Government of India will be able to exercise control over the distribution and use of all surplus articles. This will facilitate the necessary adjustment of Indian economy for the vast outflow of surplus materials.

3. Both Governments expect the agreement to further their joint aim of making these goods serve the general welfare of the Indian people.

4. Both Governments are confident that they have taken an important step in international co-operation and understanding.

Not to be broadcast or published before March 1, 1946.

PRESS NOTE

GOVERNMENT TAKE CUSTODY OF AMERICAN SURPLUSES

Conversations between the Government of India and the Foreign Liquidation Commission of the United States Government concerning the subsidiary agreements necessary to implement the block take-over of U. S. Army surpluses agreed upon on December 24, 1945 have reached a successful conclusion and the transfer of custody of these surpluses to the Government of India has begun.

As it is in the interest of both Governments, this transfer of custody will be pressed with the utmost speed in order to supply present demands and avoid excessive deterioration. Early completion of the transfer will ensure prompt beginning of sales to the public, movement of goods from Assam prior to the monsoon and the early withdrawal of U. S. troops from India.

While the conversations just completed were in progress, the exceptions agreed to under the 24th December block take-over have been utilised to satisfy the priority purchasers under the U. S. Surplus Property Act. Those U. S. citizens, firms, agencies, non-profit institutions, UNRRA, in India which may develop new requirements, will be free to purchase from the Government of India on exactly the same basis as Indian firms, institutions and the general public. The Directorate General of Disposals Organisation will be responsible for the movement of surpluses to areas where sales will take place and for the general control of disposal in accordance with the disposals policy of the Government of India. Prospective purchasers should note that none of this surplus property can be sold for the purpose of export to the United States or its possessions except on consignment to a person or firm in the United States for reconditioning for re-export. As agreed to on December 24, 1945, all aspects of the block take-over and the result of these subsequent conversations are subject to review when the representatives of India visit Washington to make final settlement of Lease-Lend, Reciprocal Aid, surplus property and other matters arising from the recent war. It is expected that the representatives of the Government of India will leave for Washington in the near future.

INDUSTRIES AND SUPPLIES DEPARTMENT;
New Delhi, February 28, 1946.

Prof. N. G. Ranga: Is there any effort being made to pay the United States of America from out of the sterling accumulations in England for these various things that the Government of India is taking over?

The Honourable Mr. A. A. Waugh: No, Sir.

Prof. N. G. Ranga: Why is it that the Government of India are not considering that possibility, in view of the fact that the total amount of money that is to be paid to the U. S. A. is likely to go up beyond 100 million pounds?

The Honourable Mr. A. A. Waugh: The necessity of considering this question has not yet arisen.

Prof. N. G. Ranga: Will it be considered at the right moment?

The Honourable Mr. A. A. Waugh: I hope the necessity will never arise.

NUMBER OF DEGRADED EMPLOYEES ON N. W. RAILWAY

1091. ***Seth Sukhdev:** Will the Honourable the Railway Member be pleased to state:

(a) the number of employees reduced from the higher to the lower grade or post as a disciplinary measure, separately, on each Division of the North Western Railway during the calendar year 1945; and

(b) if the figures for the calendar year 1945 are not readily available whether the Honourable Member will please lay a statement on the table of the House, compiled under the Railway Board's orders circulated to the Divisional Superintendents, under the General Manager, North Western Railway, Lahore, letter No. 698-E/29/HER, dated the 13th February, 1946?

The Honourable Sir Edward Benthall: (a) I lay on the table of the House a statement which gives the required information as far as it is available.

(b) Does not arise.

Statement showing the number of employees reduced from higher to lower grade or post as a disciplinary measure on each division and extra division

Name of Division or Extra-Division or Office	No. of employees reduced permanently	No. of employees reduced temporarily	Total
Delhi	1	33	34 (This excludes Engineering Staff and Inferior Staff)
Ferozepore	1	28	29
Karachi	1	57	58
Lahore	5	51	56
Multan	7	5	12
Quetta	1	...	1
Rawalpindi	2	16	18
Mechanical Workshops Division	11	36	47
Signal Shops	...	...	...
Superintendent of Telegraphs	...	...	...
General Stores, Moghalpura	3	5	8
Stores District, Karachi Cantt.	...	...	...
Walton Training School	...	...	...
Track Supply Office	1	...	1
Executive Engineer, Bridges, Jhelum.	...	1	1
Assistant Engineer, Bridges, Sukkur.	...	...	...
Headquarters Office	...	2	2
Accounts Office	1	2	3
Total	34	236	270

Sri M. Ananthasayanam Ayyangar: May I know whether there is any appeal against punishments meted out in particular cases or whether the person who took the disciplinary action is the final authority?

The Honourable Sir Edward Benthall: That does not arise out of this question.

Sri M. Ananthasayanam Ayyangar: It does, Sir. The question asks for the number of employees reduced from the higher to the lower grade or post as a disciplinary measure. If there is a large number of employees who have been degraded from the higher to lower posts, I would like to know whether the person who degrades them is the final authority.

The Honourable Sir Edward Benthall: The Honourable Member asked for certain figures and I have placed them on the table. If the Honourable Member will put down a question I shall be prepared to answer it.

DISCIPLINARY REMOVAL FROM SERVICE OF CERTAIN N. W. RAILWAY EMPLOYEES

1092. *Seth Sukhdev: (a) Will the Honourable the Railway Member be pleased to state the number of employees in (i) subordinate, (ii) inferior, (iii) labour, and (iv) daily-rated services, separately, for each category and each Division of the North Western Railway, removed from service as a disciplinary measure during the calendar year 1945?

(b) If the information is not readily available, will the Honourable Member please supply the information in a tabulated form for the latest half year, as compiled for each Division, under the provisions of the Railway Employees Discipline and Appeal Rules in the State Railway Establishment Code?

The Honourable Sir Edward Benthall: (a) I lay on the table a statement which gives the required information.

(b) Does not arise.

Statement showing the number of staff removed from service as a disciplinary measure during the calendar year 1945

Division	Subordinate Staff	Inferior Staff	Labourers	Daily-rated Staff	Total	Remarks
Karachi	6	3	12	2	23	
Rawalpindi	33	98	136	106	373	
Multan	13	504	...	45	562	
Lahore	27	24	187	3	241	
Delhi	56	25	146	17	244	
Quetta	7	18	242	...	267	
Ferozepore	6	45	20	20	91	
Supdt., Mech. Work-shops.	17	65	...	1,279	1,361	
Financial Adviser & Chief Accounts Officer.	4	1	...	...	5	
Headquarters	8	3	...	...	11	
Executive Engr., Bridges, Jhelum.	...	...	1	20	21	
Asstt. Works Manager, Signal.	...	4	...	140	144	
Asstt. Bridge Engineer, Sukkur.	...	...	...	9	9	
Distt. Controller of Stores.	6	7	8	121	142	
Executive Engr., Water Supply.	...	1	...	...	1	
Track Supply Officer	1	...	41	...	42	
Total	184	798	793	1,762	3,537	

CHANGE OF NAME OF B. & N. W. RAILWAY INTO O. T. RAILWAY

1093. ***Shri Sri Prakasa:** Will the Honourable the Railway Member be pleased to state:

(a) when the Bengal and North Western Railway was re-named as Oudh and Tirhut Railway;

(b) the reason for the change of name; and

(c) the exact significance of the word 'Tirhut' in the name of the Railway?

The Honourable Sir Edward Benthall: (a) and (b). On purchase by the Government and amalgamation of the Bengal and North Western Railway with the Rohilkund and Kumaon Railway and certain other smaller Government lines with effect from the 1st January 1943, the combined system was named as "Oudh and Tirhut Railway". From the 1st November 1945 the name has been further changed to "Oudh Tirhut Railway".

(c) The word 'Tirhut' has reference to the former Government line known as "Tirhut Railway" which served a part of Bihar known as "Tirhut" and is now merged in the combined system of O. T. Railway.

DISCRIMINATORY SERVICE CONDITIONS FOR EUROPEANS AND INDIANS IN ORDNANCE FACTORIES

1094. ***Sri M. Ananthasayanam Ayyangar:** Will the Honourable Member for Industries and Supplies be pleased to state:

(a) if any report has been received by Government from the Additional Director General and Administrative Officer, Ordnance Factories Division, recommending the withdrawal of recognition from the All-India Association of Supervising Staff of the Ordnance and Clothing Factories;

(b) if it is the only Association of its kind;

(c) whether a number of complaints have been sent from the Association regarding the discriminatory treatment meted out to Indians actually serving in the Ordnance Factories in the matter of pay, promotion, housing, medical aid, conditions of living, etc., the difference in the aforesaid conditions of service between Europeans and Indians;

(d) whether Government have made any enquiries regarding the complaints so received;

(e) if there is any proposal to fill up vacancies in the Cordite Factory at Aruvankadu by Europeans and non-Asiatic in preference to the Indian staff;

(f) the conditions of employment of Europeans and non-Asiatics in the Ordnance Factories; and

(g) if it is a fact that Indians are only given subordinate positions in Ordnance Factories?

The Honourable Mr. A. A. Waugh: (a) Such a recommendation was made, but was later withdrawn.

(b) No Sir.

(c) Yes.

(d) The complaints have been investigated by the Director General, Ordnance Factories, and are now under the consideration of Government.

(e) No.

(f) A statement is laid on the table.

(g) No, Sir.

Rates of pay, etc., of officers of the Indian Ordnance Service and non-Gazetted staff of Indian Ordnance Department serving in Indian Ordnance, Clothing and Harness and Saddlery Factories

A.—PAY

Appointments	Rates of pay in force before 28th September 1931 (Asiatics, Europeans & Non-Asiatics)	Revised rates of pay in force since 28th September 1931 (Asiatics)
<i>(i) Gazetted Officers—</i>		
1. Superintendent	Rs. 1,350—100—1,750 + £ 30 Overseas Pay*	Rs. 1,100—70—1,450
2. Works Manager	Rs. 850—100—1,250 + £ 30 Overseas Pay*	Rs. 650—35—1,000
3. Asst. Works Manager	Rs. 600—50—800 + £ 25 Overseas Pay*	Rs. 500—25—625
<i>(ii) Non-Gazetted Officers—</i>		
1. Principal Foreman	Rs. 600—20—700†	Rs. 475—15—535
2. Foreman	Rs. 500—20—600† (after 10 years 650)	Rs. 400—15—475 (E. B.)—25/5—500
3. Asst. Foreman	Rs. 375—15—435† (6th, 8th, 10th yrs. 450, 470 & 490)	Rs. 300—12—360 (E. B.)—15/2—390
4. Storeholder	Rs. 500—20—600	Rs. 400—15—475 (E. B.) at 445
5. Asst. Storeholder	Rs. 375—15—435	Rs. 300—10—350 (E. B.) at 320
6. Chargeman	Rs. 200—10—300 (after 5 yrs. 350)	Rs. 170—10—250 (E. B.)—40/4—290

* For Officers of European & Non-Asiatic domiciles.

† plus Rs. 75 increase in pay for those of European & non-Asiatic domiciles.

B.—War Allowance

Gazetted and Non-Gazetted Officers of Asiatic, European and non-Asiatic domiciles are entitled to War Allowance at the following rates:—

I. O. S. Married	17½%
I. O. S. Single	7½%
I. O. D. Married or Single	17½%

Gazetted officers of the Ordnance Factories living in Presidency Towns receive compensatory allowance according to the usual scales.

C.—Education Allowance

European and Non-Asiatic domiciles Asiatic domicile

Principal Foremen, Formen, Storeholders, Asst. Foremen, & Asst. Storeholders.	Rs. 50 per child of school age.	Rs. 30 per child of school age.
Chargemen	Rs. 30 per child of school age.	Rs. 10 per child of school age.

Prof. N. G. Ranga: With reference to part (f) of the question, may I know if it is a very long statement? Otherwise we would like to know the various conditions of employment of Europeans and non-Asiatics.

The Honourable Mr. A. A. Waugh: It is a rather lengthy statement.

Seth Govind Das: Is it a fact that from the Jubbulpore Factory also certain complaints have come of racial discrimination?

The Honourable Mr. A. A. Waugh: That does not arise.

Seth Govind Das: It does, because in part (g) it is asked whether it is a fact that Indians are only given subordinate positions in Ordnance Factories?

The Honourable Mr. A. A. Waugh: For the information of the Honourable Member I should like to state that when pays were reduced in 1931, the pay of Europeans was not reduced, and therefore there exists discrimination in salary, and also in the matter of education allowances, but not in the case of war allowances. At that time the Ordnance Factories were under the charge of the War Department, and I am not aware of the circumstances which led to this discrimination. The question of abolishing this discrimination which exists in no other branch, at present, of the Industries and Supplies Department, is being sympathetically considered, and I think that orders will issue in the course of this year.

Prof. N. G. Ranga: Are any efforts being made to increase the number of Indians in the superior positions in Ordnance Factories? In part (g) it is asked whether it is a fact that Indians are only given subordinate positions in Ordnance Factories. I want to know whether any efforts are being made to give superior positions to Indians.

The Honourable Mr. A. A. Waugh: Yes, Sir. It is not a fact that Indians are only given subordinate positions. The difficulty has been one of securing really good munition workers with the requisite qualifications. I am glad to say that Indians are holding an increasing number of the higher posts, and one is, in fact, the Superintendent of a very important Ordnance Factory.

Sri M. Ananthasayanam Ayyangar: On what ground did the Additional Director General recommend the withdrawal of the recognition of the Association and why did he subsequently withdraw that recommendation?

The Honourable Mr. A. A. Waugh: The Association addressed in terms which were not in consonance with the rules for the recognition of associations, and they subsequently explained that they meant no offence by this, and therefore the head of the Ordnance Factories withdrew his objection.

RETRENCHMENT OF EUROPEANS AND INDIANS IN ORDNANCE FACTORIES

1095. *Sri M. Ananthasayanam Ayyangar: (a) Will the Honourable Member for Industries and Supplies please state the number of non-gazetted officers Indian and Europeans, working in the Ordnance Factories in India and in the Cordite Factory, Aruvankadu, in particular?

(b) Are there any permanent gazetted officers in the Ordnance Factories, European and Indians, and what is the number of temporary officers?

(c) Are there any proposals for retrenchment of officers? If so, how many Europeans and how many Indians?

(d) How many of the existing factories are old and how many were established during the war? Of these how many will be closed now and how many switched on for production of civilian consumer goods or goods for Railway needs?

The Honourable Mr. A. A. Waugh: (a) There are 2,065 non-gazetted officers in the Indian Ordnance Factories in India. Of these 1,336 are Indians, 162 Anglo-Indians and 567 are Europeans. The number of Indian, Anglo-Indian and European non-Gazetted officers in the Cordite Factory, Aruvankadu, is 33, 5 and 40 respectively.

(b) Yes, Sir, there are 61 permanent gazetted officers in the Indian Ordnance Factories, of whom 60 are Europeans. The number of temporary gazetted officers in the Factories is 257. I might add 87 are Indians and 170 are Europeans.

(c) Yes, Sir; retrenchment is in progress. Actual figures will be available when the retrenchment is complete.

(d) 10 Factories are old and 21 were established during the war. 15 are likely to be closed down. The remainder will be used for both military and civil requirements.

Seth Govind Das: With reference to part (c) of the question, is it a fact that as far as the Jubbulpore Ordnance Factory is concerned, there is no retrenchment amongst European officers and only Indian officers are being retrenched?

The Honourable Mr. A. A. Waugh: I have no information. That may refer to the permanent staff, but I do not think that will be the case with temporary staff.

Seth Govind Das: Is the Jubbulpore Ordnance Factory also going to be closed?

The Honourable Mr. A. A. Waugh: No, Sir.

Shri Mohan Lal Saksena: Of the 15 factories which are likely to be closed, how many are munition factories?

The Honourable Mr. A. A. Waugh: Five.

Shri Mohan Lal Saksena: Is there any clothing factory going to be closed?

The Honourable Mr. A. A. Waugh: Yes, seven.

Shri Mohan Lal Saksena: Will Government consider the advisability of not closing them and using them to meet the requirements of the civilian population?

The Honourable Mr. A. A. Waugh: Yes, we are already doing that in respect of three factories which are not going to be closed down.

Prof. N. G. Ranga: How many persons will be retrenched by closing these factories?

The Honourable Mr. A. A. Waugh: I am afraid I must ask for notice of that question.

Shri M. Ananthasayanam Ayyangar: Of the remaining 10 factories how many are munition factories and how many produce consumer goods?

The Honourable Mr. A. A. Waugh: I might explain to the Honourable Member that all the factories to be retained, in fact all the factories now working, with the exception of only three, are engaged in both military and civil production.

Seth Govind Das: Is the Shahjahanpur Army Clothing Factory going to continue?

The Honourable Mr. A. A. Waugh: Yes, Sir.

Prof. N. G. Ranga: Will every effort be made to keep in service as many Indians as possible before any of them are to be retrenched?

The Honourable Mr. A. A. Waugh: Every effort will be made.

Sri M. Ananthasayanam Ayyangar: Will the Honourable Member lay later on on the table of the House a list of articles and consumer goods which have been produced in Ordnance Factories, so as to give an opportunity to the House to find out if any of them can be retained and make suggestions to that effect?

The Honourable Mr. A. A. Waugh: The Honourable Member will give me a little time so that I can prepare a full catalogue of the articles that are being made in the Ordnance Factories. The Honourable Member will understand that the work is developing every day. So far, the chief things that have been manufactured are; tools and gauges, badly needed by various industries; textile machinery; road roller equipment; and a beginning has been made with agricultural machinery and house fittings.

Sri M. Ananthasayanam Ayyangar: Then why is the Honourable Member closing down these fifteen factories?

The Honourable Mr. A. A. Waugh: We are only closing down factories which by their nature are only fitted for purely munitions work and no longer required.

GRIEVANCES OF INDIAN NATIONALS IN INDO-CHINA

1096. ***Sri M. Ananthasayanam Ayyangar:** Will the Foreign Secretary please state:

(a) If Sjt. Aney and Mr. Dayal visited Indo-China to study the conditions of Indian nationals there;

(b) if the Indian nationals there submitted their grievances and requested for early relief;

(c) whether any report has been sent by M/s. Aney and Dayal to this Government suggesting measures to relieve distress;

(d) if so, whether Government propose to lay on the table the said report; and

(e) what steps, Government have taken to implement the recommendations; if none, why?

Mr. H. Weightman: The reply to parts (a), (b) and (c) of the question is in the affirmative.

(d) No, Sir. The report is a secret document addressed to the Government of India.

(e) The most important of Mr. Aney's recommendations are for the provision of facilities for travel between French Indo-China and India and for the remittance of funds. These matters have been dealt with in my replies to questions Nos. 440 and 441. Mr. Aney also recommended that the Government of India should consider the desirability of providing supplies of foodstuffs and other necessities for the use of Indians in French Indo-China. In view, however, of acute shortages in India and of transport difficulties, which would have involved great delay, it has been decided not to pursue this recommendation. His Majesty's representative at Saigon has, however, been asked to move the French authorities to issue "European style" rations to those Indians who live in European style. Mr. Aney also suggested consideration of the possibility of appointing an Indian Vice-Consul to the staff of His Majesty's Consulate General at Saigon, and this proposal is being examined.

Seth Govind Das: Is there no part of the report which is not confidential and which could be laid on the table of the House?

Mr. H. Weightman: It would be a little difficult to split it up. But what I would propose to do is, when we have completed action on Mr. Aney's report, to issue a press note summarising his recommendations and the action taken.

Seth Govind Das: By what date can we expect this press note? Will it be before the Assembly adjourns?

Mr. H. Weightman: It is a little difficult to guarantee that.

Seth Govind Das: Does the Honourable Member know that this statement may come too late, and we shall not be in a position to consider it or to put any question in this Session of the House, and then it would be too late for the next Session.

Mr. H. Weightman: That is true, but I think the Honourable Member can rely on me to follow up this matter to the best of my ability.

Sri M. Ananthasayanam Ayyangar: May I know what particular facilities have been given for the remittance from Indo-China of the funds which were frozen long ago?

Mr. H. Weightman: It has not yet been possible to provide full facilities but arrangements have been made, I think, I am right in saying, for small sums to be remitted from Indo-China by Indians resident there to their dependents in India.

Sri M. Ananthasayanam Ayyangar: When does he expect to afford full facilities for transmission for all the funds locked up there?

Mr. H. Weightman: That depends on the settlement of the unfreezing of the assets of the Bank of Indo-China.

Sri M. Ananthasayanam Ayyangar: Who are negotiating on behalf of India with French Indo-China for this purpose?

Mr. H. Weightman: The Commerce Department.

Mr. Ahmed E. H. Jaffer: Is the Honourable Member prepared to give facilities to Muslim League leaders to visit Indo-China and Malaya on the same lines offered to Pandit Jawaharlal Nehru?

Mr. H. Weightman: I do not think that question arises from this.

Prof. N. G. Ranga: Will Government place before the External Affairs Committee of this House a summary of the reports submitted to them by Mr. Aney in regard to Indo-China?

Mr. H. Weightman: I am prepared to consider that suggestion.

Sri M. Ananthasayanam Ayyangar: On what grounds are they held to be confidential?

(No answer.)

CONFIRMATION AND DISCHARGE OF EMPLOYEES ON INDIAN RAILWAYS

†1097. *Diwan Chaman Lall: Will the Honourable the Railway Member be pleased to state:

(a) if it is a fact that committees have been set up on Indian Railways to select employees for confirmation;

(b) whether it is a fact that confirmations are usually made on the basis of seniority and good work as reported by the immediate officer of the employee;

†Answer to this question laid on the table, the questioner being absent.

(c) whether it is a fact that confirmations were delayed for long owing to embargo on them, with effect from the 1st June 1942;

(d) whether confirmations are usually made through committees; if not, the reason for this innovation;

(e) if it is a fact that senior employees not selected are to be discharged to make room for ex-servicemen;

(f) whether the Honourable Member's attention has been drawn to a paragraph in the Murphy Court of Inquiry's (1932) Report to the effect that inefficient employees may only be combed out on the basis of departmental inquiry and not searched for when block retrenchment is to be made;

(g) whether the employees who were denied confirmation and finally discharged, will be given an opportunity of departmental inquiry; if not, why not; and

(h) whether Government propose to abandon the system of committees referred to in part (a); if not, why not?

The Honourable Sir Edward Benthall: (a) and (c). In pursuance of the policy of reserving 70 per cent. of permanent vacancies occurring since 1st June, 1942, for war service personnel after the war, persons appointed since that date were not allowed confirmation in permanent vacancies, having been warned at the time of appointment that they have no claim to permanent retention and would have to make way for ex-service men. Selection committees have been set up on railways to nominate from among such persons holding permanent vacancies in a temporary capacity those who should now be confirmed against vacancies, amounting to 30 per cent. of the total not reserved for war service candidates. Subject to the exclusion of persons not considered fit for retention, the criterion to be followed in making nominations is seniority.

(b) Yes.

(d) The reply to the first portion is in the negative. As regards the latter portion, the circumstances governing the appointment of the persons referred to in the reply to parts (a) and (c) above being different from those obtaining in normal times and as the persons concerned were definitely informed that they would have no claim to appointment in a permanent capacity, a further selection was considered necessary.

(e) This is not generally the case. The names of persons who are not successful in being confirmed against the 30 per cent. vacancies will be placed on a waiting list and they will have an opportunity of being confirmed against future permanent vacancies and will have preference in retention against temporary vacancies. Only if neither of these opportunities is available, will they have to be discharged when war service candidates join. The above does not refer to the small number of those not considered fit for permanent retention who will be discharged.

(f) Yes, but, as block retrenchment of persons holding permanent vacancies in a temporary capacity is not contemplated, the question does not arise.

(g) The reply is in the negative. As stated in my reply to parts (a) and (c) above, the employees concerned have no claim to permanent retention, while the Selection Boards insure that no injustice is done.

(h) No, in view of my replies to the preceding parts of this question.

REMOVAL FROM SERVICE OF RAILWAY EMPLOYEES WITHOUT DEPARTMENTAL ENQUIRY

1098. *Diwan Chaman Lall: Will the Honourable the Railway Member be pleased to state:

(a) whether it is a fact that a Railway employee charged with an offence meriting removal from service may demand a departmental enquiry to look into charges against him;

(b) whether it is a fact that this provision of the rules is nullified by a proviso permitting the competent officer to dispense with such an enquiry if he so desires;

(c) whether Government are aware that the Railway employees feel greatly agitated over this proviso in the rules;

(d) whether Government propose to amend the rules doing away with this proviso; if not, why not; and

(e) the special reasons for insertion of this proviso in the rules; and whether they still continue?

The Honourable Sir Edward Benthall: (a) and (b). A railway servant may ask to be heard in person but the discretion of holding a departmental enquiry or granting the railway servant a personal interview rests with the officer competent to pass the order of removal from service.

(c) Government are not aware of any general agitation in regard to this rule.

(d) No. Government do not feel that the elaborate procedure of a departmental enquiry is called for in every case, particularly in view of the alternate procedure provided in the rules.

(e) It is neither desirable nor administratively convenient to hold departmental enquiries except in cases of a very serious nature. The rule in question is still in force.

STOPPAGE OF OUTSIDE RECRUITMENT TILL ABSORPTION OF SURPLUS STAFF IN RAILWAYS

1099. *Diwan Chaman Lall: Will the Honourable the Railway Member be pleased to state:

(a) the number of employees in each category of subordinate service directly recruited after the 1st September, 1945, up to date on the North Western Railway;

(b) the justification for recruitment from outside, when there is said to be surplus staff on the Railways;

(c) whether it is a fact that certain posts in the Survey and Construction Branch of the North Western Railway, have been advertised through press; if so, whether the Honourable Member is aware that there has been sharp difference amongst officers on the principle of outside recruitment *versus* taking men already in service; if so, what action is being taken in the matter; and

(d) what general instructions Government propose to issue stopping direct recruitment till surplus staff is absorbed in the Railways; if none, why?

The Honourable Sir Edward Benthall: (a) I lay on the table a statement which gives the required information.

(b) Government are informed that the direct recruitment of staff from outside the railway was resorted to as a purely temporary arrangement pending recruitment of ex-service personnel, and that no surplus staff in these categories were available at the time of making such recruitment.

(c) The reply to the first portion is in the affirmative. As regards the second portion, Government are not aware that there have been any differences amongst the officers concerned on the point referred to. The reply to the concluding portion does not arise.

(d) Government do not consider it desirable to close entirely all avenues of employment in railway service to students passing out from schools and colleges in the post-war period and have, therefore, decided that 50 per cent. of the vacancies in subordinate categories should be available to candidates from the open market. As regards inferior and labour staff, instructions have already been issued to the effect that all vacancies should first be filled from surplus staff on the railway.

Statement showing the number of employees recruited directly on this railway after 1st September, 1945, upto date in each category of Subordinate Cadre

Category of Staff	Number
1. Office Clerks	176
2. Shed Clerks	11
3. Electric Clerks	1
4. Correspondence Clerks	2
5. Works Clerks	8
6. Commercial Clerks	23
7. Train Clerks	39
8. Rationing Branch Clerks including Cash Memo. Clerks	26
9. Carriage Clerks	2
10. Electric Clerks	2
11. Tracers	10
12. Draughtsmen	1
13. Stenographers including Lady Stenographers	2
14. Typists	2
15. Signallers	67*
	* Out of these 2 were engaged from amongst retired staff.
16. Guards	3
17. Dispensers	3
18. Nurse Dai	1
19. Train Examiners	2
	Engaged from retired staff.
20. Asstt. Train Examiners	4
21. Journeymen (Shop)	3
" (Shed)	13
" (Electric)	1
22. Shedman	1
23. Number Takers	9
24. Salesman	1
25. Wardkeeper	1
26. Sub Bridge Inspector	1
27. Asstt. Watch & Ward Inspector	1
	<i>Accounts</i>
1. Clerks Class I	6
2. Clerks Class II	201
3. Routine Clerks	2
4. Stenographers	2
	627

RECRUITMENT OF INDIAN OFFICERS AS AGAINST FOREIGNERS IN CIVIL AVIATION EXPANSION

1100. *Mr. Sasanka Sekhar Sanyal: Will the Secretary for Posts and Air be pleased to state:

(a) the number of officers so far taken up in the Civil Aviation Directorate for Civil Aviation expansion;

(b) the method of recruitment of such officers and their qualifications, pay and prospects; and

(c) how many of such officers are Indians, and how many foreigners?

Sir Gurunath Bewoor: (a), (b) and (c). The Honourable member is referred to the reply given by me on the 11th March, 1946, to unstarred question No. 96, put up by Mr. Krishna Chandra Sharma.

Mr. Sasanka Sekhar Sanyal: Will the Honourable Member say how many appointments started on Rs. 1,000 and more and how many of these are Indians?

Sir Gurunath Bewoor: There are three officers under (a) and they all start on more than Rs. 1,000.

Prof. N. G. Ranga: How many of them are Indians?

Sir Gurunath Bewoor: None.

Sri M. Ananthasayanam Ayyangar: How many of them have been recruited through the Public Services Commission, if any?

Sir Gurunath Bewoor: They were selected in England.

Seth Govind Das: Could not one Indian be searched for for such a post?

Sir Gurunath Bewoor: No suitable Indians were available. There are other posts in which Indians have been or are being recruited.

Mr. Sasanka Sekhar Sanyal: Will the Honourable Member be pleased to state how these posts were advertised?

Sir Gurunath Bewoor: In England the High Commissioner was requested to approach His Majesty's Government in the Air Ministry in the Civil Aviation Ministry and the Air Transport organisations in order to find suitable men.

Mr. Sasanka Sekhar Sanyal: Was there any advertisement in India?

Sir Gurunath Bewoor: No, Sir.

Mr. Sasanka Sekhar Sanyal: Why not?

Sir Gurunath Bewoor: Because such suitable men are not available in India.

Seth Govind Das: How were Government satisfied that such persons were not available in India?

Sir Gurunath Bewoor: The Government of India in the Civil Aviation Department are aware of the people engaged in aviation matters.

Mr. Ahmed E. H. Jaffer: Isn't it a fact that the Assistant of Sir Frederick Tymms, who was an Indian, had to resign his post recently as a protest because three Europeans were imported?

Sir Gurunath Bewoor: I am not aware to whom the Honourable Member is referring. But there was one officer on contract, who on the expiry of his contract reverted to his civilian status.

Seth Govind Das: Did any Indian offer for this post in England? •

Sir Gurunath Bewoor: No, Sir.

Sri M. Ananthasayanam Ayyangar: May I know from the Honourable Member if those Europeans who were recruited, have been recruited on a permanent or contract basis?

Sir Gurunath Bewoor: They are on contract.

Sri M. Ananthasayanam Ayyangar: For what period?

Sir Gurunath Bewoor: Two of them are on a five-year contract and one on a three-year contract.

Sri M. Ananthasayanam Ayyangar: Is it one of the terms of the contract that they should train a particular number of personnel in India?

Sir Gurunath Bewoor: They are not for training. They are going to perform a definite job, and they are holding a particular post. The men who will be in the next grade will get the experience of the work and will in due course succeed them.

Mr. Ahmed E. H. Jaffer: Why were they only given such a short term of five years and not ten years?

Mr. President: Order, order. Next question

PROPOSED AIR TRANSPORT LICENSING BOARD

1101. ***Mr. Sasanka Sekhar Sanyal:** Will the Secretary for Posts and Air be pleased to state:

(a) whether Government have set up an Air Transport Licensing Board, if not, when it is proposed to be set up;

(b) whether Government intend to include non-officials in such a Board, if so, the proportion of such non-officials, and the principle of selection of membership of the Board;

(c) the functions and nature of authority of such a Board; and

(d) whether Provinces are having representation on the Board?

Sir Gurunath Bewoor: (a), (b) and (c). The Honourable Member is referred to the reply given by me to parts (a) and (d) of unstarred question No. 103, put by Mr. Krishna Chandra Sharma, on 11th March 1946.

(d) No, Sir.

Mr. Sasanka Sekhar Sanyal: May I know what is the proposed qualification, technical or otherwise, for membership of the contemplated Board?

Sir Gurunath Bewoor: There is no particular qualification, except in the case of two Members. The rules say that the Board shall consist of a Chairman appointed by the Central Government, who shall be a person who is or has been a Judge of the High Court in British India; the Director-General, who shall be the Deputy Chairman, and three Members appointed by the Central Government, one with special knowledge of aviation or air transport, another with special experience of financial matters, and the third appointed in consultation with the Crown Representative.

Mr. Sasanka Sekhar Sanyal: Will the Honourable Member state whether the Central Government has been in communication with the Provincial Governments over this question?

Sir Gurunath Bewoor: No, Sir.

Prof. N. G. Ranga: Why is the third appointment to be in consultation with the Crown Representative? Is it in order to give representation for the Indian States or not?

Sir Gurunath Bewoor: Yes; that is so; you cannot run civil aviation in India in compartments: we want to get the Indian states to co-operate with us and come into the general arrangements, and in order to satisfy them it is provided that one person will be appointed to this Board in consultation with the Crown Representative.

Prof. N. G. Ranga: Is it not the function of the Chamber of Princes to represent the Indian States?

Sir Gurunath Bewoor: The arrangement is that the Crown Representative will consult not only the Chamber of Princes but also the princes who are not members of the Chamber of Princes.

Mr. Ahmed E. H. Jaffer: The point is . . .

Mr. President: Order, order: next question.

RULES GOVERNING ISSUE OF PUBLIC TRANSPORT PILOT LICENCES

1102. *Mr. Sasanka Sekhar Sanyal: Will the Secretary for Posts and Air be pleased to state:

(a) the rules governing the issue of a public transport pilot licence;

(b) the minimum solo flying hours required of an applicant for a pilot's licence in this country, and the corresponding figures in Australia, New Zealand, Canada, South Africa, and Great Britain; and

(c) in the matter of application for pilot licences, whether Government take into consideration the flying hours put in or experience gained by the applicant while in other countries; if not, why not?

Sir Gurunath Bewoor: (a) The Honourable Member is referred to sub-rule (3) of rule 41 of the Indian Aircraft Rules, 1937 a copy of which is in the Library of the House.

(b) The Honourable Member is referred to the reply given on the 11th March, 1946, to part (b) of unstarred question No. 91, by Mr. Krishna Chandra Sharma.

(c) The reply to the first part of the question is in the affirmative. The second part does not arise.

Mr. Sasanka Sekhar Sanyal: Will the Honourable Member be pleased to explain why the number of hours referred to in page 9 of Postwar Planning Careers in Civil Aviation is 200, whereas at page 8 of the same book it is mentioned as 300?

Sir Gurunath Bewoor: I shall require notice of that. I have not got the book in question here. I do not know exactly in what reference the Honourable Member is making this statement. But there is a difference in the standards adopted by different countries for the purpose of giving a commercial public transport pilot's licence.

Mr. Sasanka Sekhar Sanyal: I am referring to page 9 of this book—a Government publication—Postwar Planning Careers in Civil Aviation. It is said that for a B pilot's license he will have to fly for 200 hours solo; but at page 8 of the same book it is said that the same pilots will have to undertake solo flying for 300 hours.

Sir Gurunath Bewoor: I shall want notice of that. I really cannot reply to that now.

CONSTRUCTION OF BATALA-BEAS SECTION OF N. W. RAILWAY

1103 *Seth Sukhdev: Will the Honourable the Railway Member please state:

(a) if it is a fact that the Batala-Beas section of the North Western Railway was surveyed some years back and that the construction of the project was also decided upon;

(b) if it is a fact that while the construction was going on and the line was completed upto Qadian, it was decided to abandon the project as the remaining portion between Qadian and Beas was not considered to be a paying proposition;

(c) if Government are aware that some of the other abandoned projects on the North Western Railway and other Railways are being re-surveyed now with a view to investigating their traffic prospects; and

(d) if the reply to (c) above is in the affirmative whether Government propose to order the re-investigation of the traffic prospects of the Qadian-Beas Section also? If not, why not?

The Honourable Sir Edward Benthall: (a) Yes.

(b) The portion beyond Qadian was abandoned due to financial stringency.

(c) Yes.

(d) The answer to the first part is in the negative. The plan for investigation of new lines in the Punjab has been evolved in full consultation with the Punjab Government and the line referred to is not included therein.

Sri M. Ananthasayanam Ayyangar: May I know how many miles have been already laid and at what cost on this section?

The Honourable Sir Edward Benthall: Two lines, one for each wheel.

Sri M. Ananthasayanam Ayyangar: Arising out of the answer to part (b), if it was decided upon—not two lines—but I want to know how many miles of line have been already laid on the track before it was abandoned?

The Honourable Sir Edward Benthall: I am afraid I have not got the mileage handy.

Sri M. Ananthasayanam Ayyangar: If this was abandoned on account of financial stringency, is it going to be taken up in the post-war scheme?

The Honourable Sir Edward Benthall: No; it is not proposed to build any more on this alignment.

Sri M. Ananthasayanam Ayyangar: As I understand it, the Batala-Beas section of the North Western Railway was surveyed some years back and the construction of the project was also decided upon. Part (b) of the question says that while the construction was going on and the line was completed up to Qadian, it was decided to abandon the project as the remaining portion between Qadian and Beas was not considered to be a paying proposition. I understand the Honourable Member to say that it was abandoned not because it was not a paying proposition but on account of financial stringency. If it is already surveyed and so much money has been spent and some of the track has been laid, why should it not be continued as a post-war scheme?

The Honourable Sir Edward Benthall: The question of this alignment as of all other projected alignments in the Punjab was fully discussed with the Provincial Government and they advised that this was not one of the projects which they particularly recommended for construction.

Sri M. Ananthasayanam Ayyangar: May I know if the provincial government was not consulted before the survey of this line was undertaken and the project proceeded with?

The Honourable Sir Edward Benthall: I presume they were consulted in 1928, when the first portion of the line was built. I do not say that this line will never be constructed, but it is not in the present plan.

NUMBER OF LOCOMOTIVES PURCHASED FROM OUTSIDE INDIA

1104. *Pundit Thakur Das Bhargava: Will the Honourable the Railway Member kindly state the number of locomotives purchased from outside India per year during the period from 1939 upto-date naming the country from which they were imported, the price paid and the quality and weight in tons of these locomotives; and if they were upto or below the standard, giving full details?

The Honourable Sir Edward Benthall: I lay on the table a statement showing the number of locomotives imported during the years 1939-40 to 1945-46, their approximate cost and weight.

The design and workmanship of the locomotives shown in the statement is considered satisfactory, but in the case of the Metre Gauge locomotives from U. S. A. and also some of the Broad Gauge locomotives from U. S. A., obsolescence is likely to become operative comparatively early. Allowance has been made for this factor in prices to be negotiated for such locomotives.

Mr. Ahmed E. H. Jaffer: May I ask if there is any possibility of manufacturing all these locomotives in India? Is he going to take any steps to encourage this industry for the manufacture of locomotives?

Number of locomotives imported from abroad for Government-owned Railways during the years 1939-40 to 1945-46 (up to 28th February 1946).

Year	No. of locos received during the year	Imported from	Approximate average cost per erected loco in India	Approximate weight in tons of empty engine and tender
1	2	3	4	5
<i>Broad Gauge</i>			(Rs. in lakhs).	
1939-40	...	...	...	...
1940-41	8	U. K.	1.32 to 2.17	65 to 110
1941-42	...	...	...	...
1942-43	4	U. K.	1.36	50
1943-44	4	do.	1.26	50
	40(a)	U. S. A.	4.41	125
	40	Canada	3.14	100
1944-45	103	do.	3.14	100
	199(a)	U. S. A.	1.76 to 3.29	39.00 to 100
1945-46	258	Canada	2.93	100
(up to 28th February 1946).	116(a)	U. S. A.	1.76 to 3.29	39.00 to 100
	8	U. K.	3.10	112
<i>Metre Gauge</i>				
1939-40	16	do.	0.72	43
1940-41	6	do.	1.39	64
1941-42	...	...	...	...
1942-43	10(b)	U. S. A.	2.12	66
1943-44	3	U. K.	2.04	64
	212(b)	U. S. A.	2.12	66
	12(c)	Egypt	0.41	35
	29(c)	Iraq	0.35 to 0.43	30 to 36
1944-45	167(b)	U. S. A.	2.12	66
1945-46	9	U. K.	3.00	102.98
(up to 28th February 1946).				

NOTE.—(a) Obtained on L/L (includes 60 locomotives on C3). The Rly. Department are negotiating prices to be paid before taking them over. The prices will be based on the market value and the condition of these locos.

(b) H. M. G.'s property. The Rly. Department are negotiating prices on the basis mentioned above prior to taking them over.

(c) Repurchased stock (originally supplied for overseas operations). Prices based on double depreciation for overseas service and present day replacement costs.

The Honourable Sir Edward Benthall: Yes; that matter was fully debated in the course of the Railway Budget discussions and I think I gave a full exposition of what was actually being done now.

Sri M. Ananthasayanam Ayyangar: May I know . . .

Mr. President: Order, order: next question.

NUMBER OF WAGONS, AND COACHES, PURCHASED FROM OUTSIDE INDIA

1105. *Pundit Thakur Das Bhargava: Will the Honourable the Railway Member kindly state:

(a) the number of wagons, and coaches, if any, purchased from outside India per year from the year 1939 up-to-date giving the country from which they were imported, the price paid for them, and their quality if they were up to or below the standard; and

(b) the amount of money spent per year for Railway materials expecting locomotives and wagons imported from outside India from 1939 up-to-date naming the country of import?

The Honourable Sir Edward Benthall: (a) I lay on the table a statement showing the number of wagons and coaches imported during the years 1939-40 to 1945-46 with their approximate costs.

Except for the wagons imported *ex* U. S. A., all others are standard I. R. S. wagons. The U. S. A. wagons are non-standard and will need rebodging before they can compare with I. R. S. stock. This has been taken into consideration in arriving at the price at which the Railway Department are negotiating to take them over.

(b) The information asked for is not readily available and the time and labour involved in collecting it would not be commensurate with the value of the results.

Number of Wagons and Coaches imported from abroad for Government Railways during 1939-40 to 1945-46 (up to 28th February 1946).

Year	No. of wagons and coaches received during the year		Imported from		Approximate average cost per erected wagon and coaches in India. (In thousand of rupees).	
	Wagons 2	Coaches 3	Wagons 4	Coaches 5	Wagons 6	Coaches 7
BROAD GAUGE.						
1939-40						
1940-41						
1941-42		...	Nil	...	...	...
1942-43		...				
1943-44		...				
1944-45	256 (a)	20 (a)	Iraq . . .	Iraq	2.7 to 9.00	10.0 to 60.00
1945-46	1390 (b)	...	U. S. A. . .	...	10.00 to 33.00	...
	4550	...	Canada	...	15.00 to 16.00	...
	5596	...	U. K. . .	...	10.00 to 11.00	...
METRE GAUGE						
1939-40						
1940-41		...	Nil	...	...	...
1941-42		...				

1942-43	.	.	.	.	40 (d)	...	Not known	.	...	Not known	...
1943-44	.	.	.	.	2240 (c)	...	U. S. A.	.	...	10.6 to 20.7	...
					88 (a)	...	Egypt	.	...	1.4 to 4.9	...
					25 (a)	...	Iraq	.	...	1.4 to 4.9	...
1944-45	.	.	.	.	8990 (c)	...	U. S. A.	.	...	10.6 to 20.7	...
					332 (a)	...	Egypt	.	...	1.4 to 18	...
					488 (a)	...	Iraq	.	...	1.4 to 4.9	...
					...	12 (a)		Iraq	.	...	29 to 57.8
1945-46	.	.	.	.	303 (c)	...	U. S. A.	.	...	10.6 to 20.7	...
					12	...	U. K.	.	...	Not known	...

NOTE.—(a) Repurchased stock (Originally supplied for overseas operations). Prices based on double depreciation for overseas service and present day replacement costs.

(b) Obtained on L/L. The Railway Department are negotiating prices to be paid before taking them over. The prices will be based on market value and the condition of these wagons.

(c) H. M. G.'s property. The Railway Department are negotiating prices on the basis mentioned at (b) above prior to taking them over.

(d) Frustrated cargo for Siam. Being offered to Siam as they are non-standard to Indian Railways.

Prof. N. G. Ranga: Why are these U. S. A. wagons being imported, in view of the fact that they have to be reconditioned again in this country?

The Honourable Sir Edward Benthall: They were imported as a war emergency; and as soon as V.-J. day came all outstanding orders on that account were cancelled.

Maulana Zafar Ali Khan: With reference to part (b), will the Honourable Member for War Transport please give the names of the countries from which these articles were imported?

The Honourable Sir Edward Benthall: No. Part (b) covers a vast number of articles and I just could not undertake to collect full details of them. A great many of them came from the United Kingdom but a certain number came from America also, and I think Australia too.

Maulana Zafar Ali Khan: Is preference in the matter of importation given to Britain or to America?

The Honourable Sir Edward Benthall: There was no question of preference during the war: we had to get them from where we could. I think the bulk of them came from Britain.

Prof. N. G. Ranga: Is it the policy of the Government now to manufacture all wagons in India alone now?

The Honourable Sir Edward Benthall: Yes; in the course of the Railway Budget I said that the capacity in India should be ample to provide for our future requirements.

CONTRACT FOR LORRY TRAFFIC FROM SIMLA TO KOTGARH

1106. *Pundit Thakur Das Bhargava: (a) Will the Honourable Member for War Transport kindly state if a contract for lorry traffic from Simla to Kotgarh has been given to some contractor or contractors?

(b) What are the rates for passengers and goods from Simla to Kotgarh?

(c) Is it a fact that inhabitants of these areas applied for the contract being given to them but their applications were rejected and that the contract was given to outsiders?

(d) Is it a fact that officials and subordinates of the States Agency are interested in these contractors?

(e) Is it a fact that applications quoting lower rates were ignored?

(f) Is it a fact that there is an acute feeling of resentment among the people on account of the contract being given at exorbitant rates to an outsider?

The Honourable Sir Edward Benthall: (a), (c), (d), (e) and (f). The contract in question was given by an Indian State and I am not in a position to give any information regarding the arrangements made.

(b) Passenger rates are fifteen pies and ten pies per mile for first and second class passengers respectively between Simla and Theog, and one anna six pies and one anna per mile respectively between Theog and Kotgarh. Goods rates are seven pies per maund per mile between Simla and Theog and ten pies per maund per mile between Theog and Thanedar.

NUMBER OF FACTORIES TURNING OUT BRASS WORKS

1107. *Pundit Thakur Das Bhargava: Will the Honourable Member for Industries and Supplies kindly state:

(a) the number of factories, Province-wise, in which the industry of melting brass scraps into brass ingots and rolling them into brass circlets was carried on during the last year; and

(b) the number of factories Province-wise, which had adequate arrangements for the suitable disposal of factory works from the industry?

The Honourable Mr. A. A. Waugh: (a) Four; all in Bombay. One factory in Bengal also pigged fired brass cartridge cases but did not roll ingots into circlets.
(b) A statement is laid on the table.

Statement

Province	Number of Factories
Bengal	10
Bombay	9
Madras	3
United Provinces	2
Punjab	1
Sind	1
Central Provinces	1

TOTAL PRODUCTION IN YARDS OF COTTON BY INDIAN MILLS AND PROVINCIAL QUOTA

1108. *Mr. Muhammad Nauman: Will the Honourable Member for Industries and Supplies be pleased to state the total quantity of production in yards of cotton of all varieties and description by Indian Mills in India during the period from January to 31st December 1945?

(b) What was the quota given to different Provinces for the purposes of distribution either through rationing systems or otherwise, stating Province by Province and quantity in yards?

(c) Who fixed these quotas of Provinces, and what were the facts and circumstances which decided the fixing of these quantities?

The Honourable Mr. A. A. Waugh: (a) The total quantity of cotton cloth of all varieties produced by Indian mills during 1945 was 4,654 million yards:

(b) The quotas allocated to each province during 1945 (including handloom cloth) were:

	Million yards
Bombay	522
Sind	66
U. P.	610
Bihar	382
Bengal	646
Assam	112
Orissa	167
C. P.	245
Punjab	692
N.-W. F. P..	117
Madras	637

These figures include cloth for consumption in certain states in the same zones as the Provinces in question.

(c) These quotas were fixed by the Government of India on the basis of the population and the estimated pre-war consumption of cloth in each province, in consultation with the Provincial Government.

Mr. Muhammad Nauman: The Honourable Member forgot to mention Delhi and Ajmer in his reply?

The Honourable Mr. A. A. Waugh: The Honourable Member has got a subsequent question on the subject.

Seth Govind Das: The population of the Central Provinces is more than that of Orissa and Assam. Why is it then that the cloth which is given to C. P. is less than that of Orissa?

The Honourable Mr. A. A. Waugh: I have explained that it is based on the pre-war consumption per head.

Prof. N. G. Ranga: Is it not a fact that the quota for the Madras Presidency in cotton mill cloth has been reduced and also the yarn that is supplied to the handlooms?

The Honourable Mr. A. A. Waugh: The Honourable Member does not state since when he thinks it has been reduced.

Prof. N. G. Ranga: Since the beginning of this year.

The Honourable Mr. A. A. Waugh: I must ask for notice of that.

Prof. N. G. Ranga: What about last year—1945?

The Honourable Mr. A. A. Waugh: I do not think there was any reduction in the quota of mill made cloth except as from September when the Provincial Governments agreed to the allocations made to all the provinces.

Prof. N. G. Ranga: Why is it that both the quota of mill made cloth as well as the quota of yarn for handlooms were reduced in the case of the Madras Presidency?

The Honourable Mr. A. A. Waugh: In order to secure a fair allocation for all the provinces.

Khan Abdul Ghani Khan: Is it not a fact that the figures for the consumption of cloth in the N.-W. F. P. were supplied not by the N.-W. F. P. Government but by the Punjab from whom they used to take their cloth?

The Honourable Mr. A. A. Waugh: I must ask for notice.

Sri M. Ananthasayanam Ayyangar: May I know if in the case of Madras and Assam the quantity of handmade cloth was taken into account in fixing the quota?

The Honourable Mr. A. A. Waugh: Yes, Sir.

Sri M. Ananthasayanam Ayyangar: May I know if the quantity of yarn that is supplied to those provinces has been considerably cut down and on account of that a revision has been made in the quantity of yardage that is supplied now?

The Honourable Mr. A. A. Waugh: There was a small cut in the amount of yarn that is being consumed by Madras.

Sri M. Ananthasayanam Ayyangar: Is it not a fact that Madras is the second biggest province in the matter of handloom industries?

The Honourable Mr. A. A. Waugh: I believe that that is so.

Babu Ram Narayan Singh: Is it not a fact that the Bihar quota of cloth remaining in the Ahmedabad Mills could not be taken to their place of destination owing to shortage of wagons?

The Honourable Mr. A. A. Waugh: In reply to an earlier question by the Honourable Member I have given details as to what stoppages occurred in railway movements.

Sri M. Ananthasayanam Ayyangar: Is it a fact that in Madras only 12 yards are allowed whereas in the Punjab and the N.-W. F. P. 18 yards are allowed and on account of the handloom production having gone down, will the Honourable Member try to revise the yardage that is allowed to Madras?

The Honourable Mr. A. A. Waugh: That will be looked into.

Khan Abdul Ghani Khan: Not at the expense of the Frontier?

Sri M. Ananthasayanam Ayyangar: Certainly.

DISTRIBUTION OF COTTON CLOTH THROUGH RATIONING SYSTEM IN DELHI PROVINCE

1109. ***Mr. Muhammad Nauman:** (a) Will the Honourable Member for Industries and Supplies be pleased to state the total quantity of cotton cloth in yards placed at the disposal of the Delhi Province for distribution through Rationing System in the Delhi Province and in the Delhi City (including New Delhi) in 1945?

(b) How many retail shops were appointed licencees for "Ration Shops", and were the Delhi Cloth Mills and Birla Mills also given licencees for "Ration Cotton Cloth sales"? If so, how many depots did they create, and how many shops were given to each Delhi Cloth Mills and Birla Mills, separately?

The Honourable A. A. Waugh: (a) The total quantity of cotton cloth allotted in 1945 to Delhi Province including Delhi city and New Delhi since the commencement of rationing was 1,18,53,000 yards (7,902 bales). Actually, the quantity received during this period as part of the Delhi quota was 1,08,54,000 Yards (7,232 bales), and 9,99,000 yards (666 bales) were obtained from stocks available locally.

(b) 198 retail shops including the retail depots of the Delhi Cloth Mills and the Birla Mills were authorised as ration shops. Nine of these shops belong to the Delhi Cloth Mills and seven to the Birla Mills. They did not create any new depots and only existing depots were recognised.

Mr. Muhammad Nauman: May I know if these mills stocked products manufactured by their own mills? Is it a fact also that although they were sold within a radius of three miles they are still allowed 20 per cent. middlemen's profits?

The Honourable Mr. A. A. Waugh: They were selling their own products. As to the rate of profits, I must ask for notice of the question.

Mr. Muhammad Nauman: Is it not a fact that the ex-mill rate and the retail rate differ by 20 per cent. that the retail rate is 20 per cent. higher than the ex-mill rate and further that these two mills lie within a radius of three miles and are not entitled to more than 4 per cent. profit on ex-mill rate?

The Honourable Mr. A. A. Waugh I must ask for notice.

DISTRIBUTION OF UN-RATIONED COTTON CLOTH IN DELHI PROVINCE

1110. ***Mr. Muhammad Nauman:** (a) Will the Honourable Member for Industries and Supplies be pleased to state what quantity in yards of cotton cloth was placed at the disposal of the Delhi Province for being sold as "Unrationed Cloth", and how their Director of Civil Supplies distributed the same, stating the quantity in yards given for sale to Hindu cloth merchants, the quantity in yards given to the Muslim cloth merchants and quantity in yards given to Mill depots of the Delhi Cloth Mills Limited?

(b) Is it a fact that cotton saris and dhoties which were given to be sold in ration shops of Delhi retail cloth merchants were being sold by the Delhi Cloth Mills at their depots as "Un-Rationed Cloth"?

(c) Is it a fact that, Muslim cloth merchants represented to the Director of Civil Supplies, Delhi, that they were given only such quantities for sale as would bring them Rupees twenty-two and annas four per month income and that the said Director has given no heed to the same, in spite of repeated representations?

(d) Is it a fact that in distribution of 'Un-rationed cotton cloth, the Director of Civil Supplies, Delhi, has given less than ten per cent. of the total quantity to the Muslim merchants in Delhi? If not, what is the fact?

The Honourable Mr. A. A. Waugh: (a) No particular quantity of cloth was placed at the disposal of the Delhi Province for being sold as unrationed cloth. The Delhi Administration decided from time to time what varieties of cloth should be treated as unrationed. The Honourable Member has not specified the period for which the information is required, and I am therefore giving information for the period December 1945 to February 1946, during which period only was any appreciable amount of course cloth of the local mills issued as unrationed. From the reserves of such cloth available, allocations were made to dealers on the basis of actual business done by them on information obtained from a statement filled in by the dealers. These statements were not furnished by all the dealers, and in cases where the information was not available, and of petty dealers whose business was under 20 bales per year, an allocation was made at the rate of one bale per quarter. The distribution among Muslims and non-Muslims was as follows:

	Yards
Non-Muslims	11,25,000
Muslims	2,25,000

The Delhi Cloth Mills during the same period sold at their retail depots 496 bales (6,54,000 yards). This quantity was not "given" to them for sale, but was sold by them in accordance with their previous practice and with the permission of the Government of India.

(b) No.

(c) A representation, in which Rs. 22/8/- per month was mentioned as the income, was received by the Delhi administration from the Cloth and General Merchants Association on the 2nd of March, 1946. As the distribution of cloth was limited by the actual quantity available and this had to be distributed among numerous claimants, it was impossible to provide a larger quantity of cloth. 964 dealers received a quota of one bale per quarter only, and of these 300 were Muslims.

(d) No. As stated in answer to part (a), 150 bales were issued to Muslim dealers and 750 bales to Non-Muslims, making a percentage of 17.

Mr. Muhammad Nauman: Does the Honourable Member know that the Muslim Merchants' Association referred to represented their case from May, 1945, to December 1945, and the matter was referred to by Statements in the Press? I saw the Chief Commissioner myself.

The Honourable Mr. A. A. Waugh: Yes, Sir, there has been a series of representations.

Mr. Muhammad Nauman: How is it possible to say that this letter was received only on the 2nd March and how has the plea been made that they do not know the position of the Muslim merchants.

The Honourable Mr. A. A. Waugh: I am referring to the representation received by the Central Government, not by the Delhi Administration.

Mr. Muhammad Nauman: The Delhi administration was apprised of this fact from June onwards and in spite of that they have given only 2 lakhs yards out of a total of 13 lakhs yards.

The Honourable Mr. A. A. Waugh: I submit that this is a statement not a question. I do not know what the facts are.

Babu Ram Narayan Singh: What is the total number of all cloth merchants before this control came into force?

The Honourable Mr. A. A. Waugh: I would have to collect that information.

CONTROL PRICES OF SILK CLOTH AND ARTIFICIAL SILK CLOTH MANUFACTURED IN INDIA

1111. ***Mr. Muhammad Nauman:** (a) Will the Honourable Member for Industries and Supplies be pleased to state if it is a fact that control prices of silk cloth and artificial silk cloth manufactured in India are nearly eight times higher than the prices prevailing in India in 1939 and 1940 for the same variety of silk and artificial silk cloths? If not what proportion they bear to prices ruling in 1939-1940 for the same class of cloth?

(b) Is it a fact that Murshidabad silk, Mysore silk and Kashmir silk of an average quality width 36 inches were being sold in India on an average of Rupees two and annas eight per yard in 1939 which has been controlled at the rate of Rs. 13 to Rs. 14 which are the present ruling prices?

(c) Is it a fact that heavy imitation China silk produced in India was being sold at Rupee one and annas eight in 1939 which has been controlled at Rs. 7-8-0 to Rs. 10-8-0 at the present time?

(d) Does the Honourable Member propose to explain the principle governing such controlled prices?

The Honourable Mr. A. A. Waugh: (a) On an average, the present control prices of silk and artificial silk fabrics are about five times higher than the prices prevailing in India in 1939 and 1940.

(b) Yes, Sir. The average price ruling before control prices were fixed last July was about Rs. 18 a yard.

(c) The term "heavy imitation China Silk" is understood to mean artificial silk made in India. The pre-war price was about Rs. 2-8-0 per yard. The present price is about Rs. 12. Before Control was introduced, the Bazaar price was round about Rs. 18.

(d) The control prices are based on costs of production. By and large the ultimate basis for real silk is a price for cocoons bearing the same relation to the price in 1941 as the cost of living indices of 1945 and 1941. In the case of artificial silk it is the landed cost of yarn.

Mr. Muhammad Nauman: Is the Honourable Member aware that his predecessor gave an assurance to this House that the peak prices of 1943 would be reduced by 50 per cent. immediately?

The Honourable Mr. A. A. Waugh: I am not aware of the statement referred to.

Mr. Muhammad Nauman: Will he refer to the old debates?

The Honourable Mr. A. A. Waugh: I am quite prepared to do so.

Sri M. Ananthasayanam Ayyangar: When were the prices of silk fixed last?

The Honourable Mr. A. A. Waugh: I shall endeavour to supply the information. I have not got it with me.

Mr. Muhammad Nauman: May I know if the Honourable Member is prepared to look into the whole question again and see that the prices do not remain at five times, but that it is reduced to just twice the old rate, which is equitable?

The Honourable Mr. A. A. Waugh: I only wish there was no scarcity. If the scarcity of raw material would come down, I would be pleased to look into the whole question.

Mr. Muhammad Nauman: The price of raw silk today as compared to the prices of 1938-39 are considerably higher?

The Honourable Mr. A. A. Waugh: Yes, considerably higher.

Mr. Muhammad Nauman: Where it should not be more than 200 per cent. it is now more than 500 per cent.

The Honourable Mr. A. A. Waugh: I have not got figures. I think that the rise is higher than 200 per cent.

Sri M. Ananthasayanam Ayyangar: Are these prices reviewed from time to time in relation to the fall in the index prices of food stuffs?

The Honourable Mr. A. A. Waugh: I have not observed that the cost of living is coming down.

Sri M. Ananthasayanam Ayyangar: Is it a fact that since the price was fixed last time, that was a long time ago, the prices have not been reviewed at all?

The Honourable Mr. A. A. Waugh: They are constantly under review; at the moment, the price of raw silk is far from satisfactory.

Shri Mohan Lal Saksena: When was it reviewed last?

The Honourable Mr. A. A. Waugh: I want notice.

RETURN OF ALL-INDIA VILLAGE INDUSTRIES RESEARCH CENTRE AT POONA

1112. *Prof. N. G. Ranga: Will the Honourable Member for Industries and Supplies be pleased to state:

(a) if it is a fact that the All-India Village Industries Research Centre at Poona run by Mr. K. B. Joshi; under the direction of Mr. Vaikuntha Mehta, Managing Director of Provincial Coperative Bank, was taken over by Government under the Defence of India Rules in 1942 and have not returned it to them ever since;

(b) if they had made drastic changes in the very fundamentals of the work of the Centre, abandoned all research work and have now decided to dismantle it;

(c) if they have seen Dr. J. C. Kumarappa's Condemnation of their policy in his article "Vandalism", published in the *Gramodyoga Patrika* of October 1945, Wardha;

(d) why Government have not proposed to hand over the buildings and machinery to the former management; and

(e) whether Government propose to consider the advisability of handling it over to the A. I. V. I. A. management at least now?

The Honourable Mr. A. A. Waugh: The question will be answered by the Honourable the Home Member on the appropriate day.

ENQUIRY INTO THE NUMBER OF WORKERS EMPLOYED IN COTTAGE AND INDUSTRIAL CONCERNS

1113. *Prof. N. G. Ranga: Will the Honourable Member for Industries and Supplies be pleased to state:

(a) in connection with his reply to Mr. Mohan Lal Saksena's Starred Question No. 460, dated the 22nd February, 1946 regarding the number of

Industrial undertakings, whether Government will consider the advisability of holding and enquiry to ascertain the number of industrial concerns and workers employed therein, in which less than 20 workers are employed by Cottage or factory employers;

(b) whether Government are aware of the estimates made by the Textile Fact Finding Committee in regard to hand loom weavers employed in concerns with less than twenty workers;

(c) whether they have seen the estimates made by the Cottage Industrial Enquiries conducted by the Madras Government in 1928-29, and by the Kumaraappa Enquiry Committee of the Central Provinces Government, in 1939;

(d) whether on the basis of the 1931 Census Reports (Industrial and other occupational Sections) any estimate has been made or is sought to be made about the approximate number of workers employed in Cottage and other industrial concerns, with less than 20 workers each;

(e) if it is a fact that the Royal Commission on Labour has deplored the absence of such Statistics and any effort to protect their interests; and

(f) in view of the industrial planning and development which are in the offing, whether Government propose to hold a rapid enquiry in co-operation with Provincial Governments into the real importance, numbers of concerns and workers employed in Cottage and other small industrial concerns?

The Honourable Mr. A. A. Waugh: (a) Government are pursuing this question. The Labour Investigation Committee appointed in pursuance of Resolution No. L-4012, dated 12th February, 1944, has conducted enquiries in respect of the more important indigenous handicrafts and small scale industries.

(b) The report of the Fact Finding Committee makes no mention of estimates in respect of handloom weavers employed in concerns with less than twenty workers.

(c) No. These estimates are being called for.

(d) No, Sir. I would refer the Honourable Member to the reply given to part (a) above.

(e) Yes, Sir.

(f) Government will examine this.

Prof. N. G. Ranga: May we know some of the list of cottage industries which the Government are enquiring into?

The Honourable Mr. A. A. Waugh: I shall be pleased to give my Honourable friend information in detail.

Seth Govind Das: Do the Government propose to start spinning and weaving in the villages?

The Honourable Mr. A. A. Waugh: I have said that the Government are examining the question of what will be the most practical and effective scheme. I would welcome the opportunity of discussing this with the Standing Committee attached to my Department, with a view to shaping out an effective scheme.

Sri M. Ananthasayanam Ayyangar: Is it not a fact that the Government in this Department have got a statistical section, and if the answer is in the affirmative, will the Government consider the advisability of making the collection of these statistics one of its primary activities?

The Honourable Mr. A. A. Waugh: I shall consider it.

CLASSIFICATION OF 'SELECTION POSTS' ON INDIAN RAILWAYS

1114. ***Sri A. Karunakara Menon**: Will the Honourable the Railway Member be pleased to state:

(a) the principles observed in the classification of 'Selection Posts' on the Indian Railways;

(b) if the Honourable Member is aware that the list of "Selection Posts" intimated to this House in reply to unstarred question No. 11 on the 6th February 1940, has been greatly enlarged since then on the North Western Railway, if so, why;

(c) whether it is proposed to lay down a pay limit on which the classification of Selection Posts is made in future; and

(d) if the reply to (c) above be in the affirmative, whether it is proposed to fix this pay-limit for posts carrying pay of over Rs. 200 per mensem on old scales; if not, what pay-limit do Government propose to fix?

The Honourable Sir Edward Benthall: (a) Generally speaking, selection posts include fairly senior posts and posts outside the cadre. The power to determine selection posts in non-gazetted cadres rests with General Managers any they can declare as a selection post any post to which promotions is made on the basis of selection in accordance with comparative merit and not seniority alone, *vide* rules 2(3) and 3 of the rules governing the promotion of subordinate staff as contained in Appendix II-A of the State Railway Establishment Code, Volume I, a copy of which is available in the Library of the House.

(b) The reply to the first portion is in the affirmative. The North Western Railway's list did not include certain posts which at the time were not treated by them as selection posts because they were filled by selected men in order of seniority. It was subsequently decided to treat the latter posts also as selection posts. Apart from this revision, additions to the list have been very few and were made as a result of the experience gained of the special abilities required of the incumbents of such posts.

(c) The reply is in the negative.

(d) Does not arise.

Shri Mohan Lal Saksena: Are there any definite rules laying down which posts ought to be regarded as selection posts?

The Honourable Sir Edward Benthall: I have answered that in part (a).

Sri M. Ananthasayanam Ayyangar: Is it not a fact that just with a view to avoid a person getting a particular post, the General Managers are usually in the habit of declaring that post a selection post?

The Honourable Sir Edward Benthall: That is not done, Sir.

Sri M. Ananthasayanam Ayyangar: It may or may not be done. What are the rules regulating the decision of certain posts to be selection posts or not? Are they merely left to the whims and fancies of the General Managers?

The Honourable Sir Edward Benthall: I think if the Honourable Member will study the Establishment Code which I have referred to, he will see that the rules are fairly satisfactory.

Sri M. Ananthasayanam Ayyangar: Has this practice been continued from the time of the company management or have the Government set down new rules just now?

The Honourable Sir Edward Benthall: These are State railway rules.

SENIORITY RULES OF NON-GAZETTED SUBORDINATE STAFF ON INDIAN RAILWAYS

1115. *Sri A. Karunakara Menon: Will the Honourable the Railway Member be pleased to state:

(a) the general principles in determining seniority of the non-gazetted subordinate staff on the Indian Railways;

(b) if the Honourable Member is aware of the general complaints about frequent changes in seniority rules on the North Western Railway; and

(c) if it is proposed by the Railway Board to issue a general set of seniority rules for the Indian Railway; if not, why not?

The Honourable Sir Edward Benthall: (a) and (c). Rule 10 in Appendix II-A to the State Railway Establishment Code, Volume 1, a copy of which is available in the Library of the House, authorizes the General Managers to prescribe the necessary rules for the determination of seniority of non-gazetted staff. No uniform set of rules for the purpose of determining seniority can be framed which would be applicable to all groups, classes and grades alike on the different Railway systems in view of the divergent conditions prevailing.

(b) Government are informed that the Railway Administration is not aware of any general complaints in the matter.

Sri M. Ananthasayanam Ayyangar: With reference to part (b), I should like to know if uniform rules are observed on all railways, and whether N. W. R. have been changing their rules from time to time?

The Honourable Sir Edward Benthall: I expect they have been.

Sri M. Ananthasayanam Ayyangar: Apart from the question of general principles, have there not been general complaints about frequent changes in seniority rules? What steps have Government taken to collect information on the point?

The Honourable Sir Edward Benthall: After referring this question to the railway, I am informed that the railway administration is not aware of any such general complaints in the matter.

Sri M. Ananthasayanam Ayyangar: Apart from complaints, has it come to the notice of the railway administration that the rules are being changed from time to time?

The Honourable Sir Edward Benthall: I expect they have been.

' HOWRAH SYSTEM OF BOOKING ' AT KARACHI BUNDER STATION

1116. *Sri A. Karunakara Menon: (a) Will the Honourable the Railway Member be pleased to state if he is aware that there was much mismanagement in the supply of wagons at the Karachi Bunder Station?

(b) Is he also aware that certain members of staff were shifted and new system known as 'Howrah System' was introduced?

(c) How long did the 'Howrah System of booking' work and what was the total expenditure thereon?

(d) Is the Honourable Member aware that "Howrah system" was stopped in spite of adverse opinion from the commercial community, including the Karachi Chamber of Commerce?

(e) Is it also a fact that the same staff has been re-transferred to the Karachi Bunder?

(f) What step do Government propose to take to avoid recurrence of abuses referred to in part (a) above? If none why?

The Honourable Sir Edward Benthall: (a) No. Owing to the acute shortage of wagons resulting from conditions created by the War there were the same difficulties in supplying wagons at Karachi Bunder at many other stations. Government is not aware of any mismanagement in the supply of wagons at this station.

(b) Regarding the first part, information is being collected and will be placed on the table of the House in due course. With regard to the latter part of the question, the reply is in the affirmative.

(c) The "Howrah Scheme" was operated at Karachi Bunder from 22nd January, 1945, to 31st October, 1945. The information asked for in the latter part of the question is being collected and will be placed on the table of the House when received.

(d) and (e). Presumably the word "stopped" is a misprint for the word "started". The information is being collected and will be placed on the table of the House when received.

(f) This does not arise.

(B) WRITTEN ANSWERS

DIFFERENT RATES OF SPECIAL PAY FOR DEPUTATIONISTS IN RAILWAY BOARD

1117. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable the Railway Member be pleased to state if it is a fact that a special pay was sanctioned for those of the staff who are transferred to the Railway Board's Office on deputation mainly on the consideration that the duties and responsibilities of arduous nature are involved in the Railway Board's Office?

(b) Is it a fact that a higher rate of Rs. 50 per month as special pay has been sanctioned for those who are on deputation to the Railway Board's Office in New Delhi from stations outside Delhi and a lower rate of Rs. 30 per month is given to those who are taken locally?

(c) If the answer to (b) be in the affirmative why is this differential treatment meted out to the persons transferred from local offices, specially in view of the fact that both the categories of the persons are considered to be discharging duties of arduous nature and responsibility?

(d) Do Government propose to remove this discrimination by introducing uniform rates of special pay, viz., Rs. 50 with retrospective effect? If not, why not?

The Honourable Sir Edward Benthall: (a) A special pay is granted both in consideration of the arduous duties and heavier responsibilities attaching to posts in the Railway Board's office as well as on other considerations, such as additional expenditure entailed in the maintenance of double establishments, etc., which apply only to persons coming from outside Delhi.

(b) Yes.

(c) and (d). In view of the reply to part (a) above, Government do not propose to introduce a uniform rate of special pay.

PROTESTS BY INDIAN TRADE UNION ORGANISATIONS AGAINST EXECUTION OF REPUBLICANS IN SPAIN

1118. *Miss Maniben Kara: Will the Foreign Secretary be pleased to state: whether Government have received any representations from Indian trade union organisations protesting against the execution of ten Republicans in Spain by the Government of General Franco and asking their protests to be forwarded to the Spanish Government; what action Government have taken in the matter?

Mr. H. Weightman: Such a representation has been received from the Indian Federation of Labour. A reply has been sent that the Government of India do not conceive it to be their business to forward the protest to the Spanish Government, it being open to the Indian Federation of Labour to send a communication on the subject through the post if it wishes to do so.

TENDERS FOR WORK IN E. I. RAILWAY LOCO. RUNNING SHEDS

1119. *Mr. Madan Dhari Singh: (a) Will the Honourable the Railway Member be pleased to state the system of giving contract for the work of coal handling, engine and ash pit cleaning, cinders picking and labour supplying in the East Indian Railway Loco. Running Sheds?

(b) Who is the authority for accepting the tenders?

(c) What is the number of contractors who were given the work at Gaya, Moghulsarai and Jhajha from the year 1938 to the year 1945?

(d) Is it a fact that the accepted tenders for the work were not the lowest? If so, what are the reasons for the acceptance of higher tenders?

The Honourable Sir Edward Benthall: The information is being obtained and will be laid on the table of the House in due course.

REVIVAL OF OLD INDIAN STORES DEPARTMENT

1120. *Mr. Manu Subedar: (a) Will the Honourable Member for Industries and Supplies please state what retrenchment was proposed in the Industries and Supplies Department from the peak and how much of it has been achieved already?

(b) What was the pay and allowance or the total establishment charge of the Department per month at the peak period, what is it now, what further reduction is aimed at, and when do Government expect to achieve it?

(c) What is the intention of Government in regard to the old Indian Stores Department, and is it intended to revive it in any form in the near future?

(d) Are all the stores purchase rules, as they existed before the war, still in force?

(e) Have Government restored the general practice in the matter of purchase in India and scrutiny of indents going outside India before such indents are made?

The Honourable Mr. A. A. Waugh: (a) and (b). The information is not readily available. It is being collected, and will be laid on the table in due course.

(c) The I.S.D. has been incorporated in the DG (I. & S.), and it is not intended to revive it as a separate entity.

(d) Yes, Sir, except for deviations during wartime emergencies.

(e) The general practice in the matter of purchase in India continued during the war and I would invite attention to the reply I gave on the 8th February, 1946, to part (b) and latter part of part (c) of Starred question No. 102, asked by the Honourable Member. As regards scrutiny of indents, Government never scrutinized indents going outside India before such indents were made. They only scrutinized after these indents were sent to D.G., I.S.D., London. The Supply Department had, however, enough time to challenge any such indents before any purchases against such indents were actually made, and this continues to be the practice.

NUMBER OF LIAISON OFFICERS AND RELAXATION OF CONTROLS

1121. *Mr. Manu Subedar: (a) Will the Honourable Member for Industries and Supplies please state how many liaison officers still continue to function, and why?

(b) How many officers, who were working under the Director-General of Munitions production, still continue to function, and what is the work which they are now doing?

(c) How many controls have been relaxed, or are proposed to be relaxed in connection with (i) steel and (ii) non-ferrous metals?

(d) Do Government propose to continue the fixing of ceiling prices for the protection of the civil population in regard to (i) steel and (ii) non-ferrous metals?

The Honourable Mr. A. A. Waugh: (a) There are three Liaison Officers for consumer goods and twelve Honorary Advisers. The former are employed for the administration of the Hoarding and Profiteering Prevention Ordinance and Consumer Goods Control Order. They look after imports of consumer goods made on Government account and still awaiting disposal, answer very numerous enquiries from the public, and see that consumer goods the distribution of which is still controlled are in fact despatched by importers as ordered. Their services will be terminated on 31st March, 1946, after which their functions on a reduced scales will be discharged by the Secretariat Delhi.

The Honorary Advisers advise on Jute Supplies, Rope, Wool, Tanning, Petroleum, Webbing, Hides, Cement, Rubber, Coffee, Cotton Textiles and Textile Machinery. They advise Government on problems connected with the industry concerned, and enable Government to keep in touch with the industry.

(b) 126. They are concerned with procurement of metal and engineering stores for railways, civil departments of Government and the Army. The D.G.M.P. as an organisation will shortly be closed down and amalgamated with the D.G.I. & S., leaving in Calcutta only a branch of the Purchase organisation for normal peace time work.

(c) The Iron and Steel Movement by road and rail Orders and the Cotton Baling Hoops (Control of Movement) Order have been cancelled. The Iron and Steel (Control of Production and Distribution) Order and the Iron and Steel Scrap Control Order still remain in force. The former is being modified with a view to abolish the licensing of steel from 1st April, 1946. There are three Control Orders on non-ferrous metal: (1) Non-ferrous metal (Control) Order, (2) Brass and Copper (Control) Order, (3) Aluminium Utensils (Control) Order.

(d) Yes Sir. The fixation of ceiling prices is to be continued for both steel and non-ferrous metals in order to prevent black market activities.

CONTROL AND SALE OF WOOLLEN GOODS IN INDIA BY GOVERNMENT

1122. *Mr. B. P. Jhunjhunwala: (a) Will the Honourable Member for Industries and Supplies please state whether the manufacture and sale of woollen goods in India is under the control of Government? If so, on what basis is the same regulated?

(b) Is it a fact that Government sell the Indian woollen goods at a price much higher than what it pays to the manufacturers? If so, what is the margin of profit, and how much profits have Government made over such scales since the control was enforced? To what fund is the money so earned credited, and how is it utilized?

(c) What is the quantity and value of woollen goods produced by the Indian woollen mills since the promulgation of the Control Ordinance? Were the Indian woollen mills working to their full capacity during this period? If not, why not?

(d) What is the quantity and value of foreign woollen goods imported into India during the corresponding period?

The Honourable Mr. A. A. Waugh: (a) Yes, Sir, the manufacture and sale of woollen goods is under the control of Government. Goods for the civil market are purchased by Government, who pay the mills a margin of 12½ per cent. over their cost of production, and are sold to recognised dealers who retail them to the public at a fixed price. This price allows dealers a margin of 12½ per cent.

(b) Yes, Sir, it is correct that Government often but not always charge the dealer a slightly higher price than they have paid or expect to pay to the manufacturer. The reasons are firstly that Government initially fixed ceiling prices slightly on the high side to allow for a possible upward trend in costs of production, and secondly in the earlier stages retail prices were based on estimates of cost while payments to mills were based on costs of production worked out subsequently. In some cases, the price chargeable by Government to the dealer is lower than the price payable by Government to the manufacturer and these deficits are met from the surpluses accruing from other items. There is no fixed margin of profit, and it is not possible to give a figure of the surplus accruing to Government so far, because mills have been paid at provisional rates and it will be some time before the prices payable to them are finalised. If any surpluses remain when the control is wound up, Government will consider how to spend these and one way would be to spend them for the benefit of India's woollen industry.

(c) The quantity of woollen goods produced by Indian Woollen Mills since the promulgation of the Control Order is about 44.86 million lbs., and their value about 14.14 crores of rupees. Indian Woollen Mills were working to their full capacity during this period, except for occasional stoppages owing to lack of coal.

(d) The quantity of foreign woollen goods imported into India during this period was about 1,354,000 lbs., and their value was about 1.2 crores.

CONSUMPTION OF CLOTH IN N.-W. F. PROVINCE

1123. *Khan Abdul Ghani Khan: (a) Will the Honourable Member for Industries and Supplies be pleased to state the consumption of cloth in the following areas of the North-West Frontier Province before the World War II: (i) Khyber Agency, (ii) Malakand Agency, (iii) Kurram Agency, (iv) Mahmand Agency, (v) Tochi Agency, and (vi) Waziristan Agency?

(b) What is the amount of cloth supplied to each of these Agencies now?

(c) What was the amount of cloth supplied before the last war to the North-West Frontier Province, and what is supplied now?

The Honourable Mr. A. A. Waugh: (a) and (b). My Department has asked the N.-W. F. P. Government by telegram for this information, but the N.-W. F. P. Government have not yet replied.

(c) *Before the war:* On an average about 70,148 bales per annum.

At present: About 62,592 bales per annum.

APPLICABILITY OF GOVERNMENT RAILWAY RULES TO STAFF ON B. B., & C. I. RAILWAY SCHOOLS

1124. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable the Railway Member please state if it is a fact that according to the declared policy of the Railway Board, all teachers employed in Railway Schools on the East Indian Railway are Government servants and are allowed scales of pay in force in Provincial Government Schools of the Province in which they are situated?

(b) Is it a fact that the B., B. and C. I. Railway was taken over by the Government of India in 1942? If so, is it a fact that all employees of the now defunct B., B. and C. I. Railway Company became Government servants from that date?

(c) Have the Railway Board laid down a policy for the B., B. and C. I. Railway Schools different from the policy already in force for Railway Schools on other Government Railways? If so, on what grounds? If not, are the staff employed on the B., B. and C. I. Railway Schools governed by Government Railway Rules in the matter of leave, passes and P. T. Os. rent rules, scales of pay and other service matters? If not, why not?

The Honourable Sir Edward Benthall: (a) The reply to the first portion is in the affirmative and to the second in the negative.

(b) The reply is in the affirmative.

(c) The reply to the first portion is in the negative. The second portion does not arise. The reply to the third portion is in the affirmative except in regard to leave and scales of pay of *ex-Company* school staff. In accordance with the terms offered to non-gazetted staff of the *ex-B., B. & C. I. Railway Company* taken over by Government on and from the 1st January 1942, such staff are governed by the *ex-Company's* rules in these respects. The reply to the last portion does not arise.

SERVICE LIMIT FOR OFFICIALS TAKEN FROM CIRCLE OFFICES INTO P. & T.
DIRECTORATE

1125. *Mr. Ramayan Prasad: (a) Will the Secretary for Posts and Air be pleased to state if it is a fact that a limit of more than five and less than ten years' service has been prescribed for taking men from subordinate offices to Circle Offices of the Posts and Telegraphs Department for permanent appointments? If so, is it the intention of the said condition that the officials so taken should be of use for the maximum number of years in the latter office? If not, what is the intention?

(b) Is there no such service limit prescribed for taking officials from Circle Offices into the Posts and Telegraphs Directorate? If not why not?

Sir Gurunath Bewoor: (a) The reply to the first part is in the affirmative and to the second part in the negative. As regards the third part, the intention in fixing the service limits is to import comparatively young officials who, at the same time, have had some years practical experience of post office work.

(b) There is a minimum service limit of three years but no maximum service limit for importing staff from Circle Offices to the Posts and Telegraphs Directorate. The intention in not prescribing the maximum limit is to improve the efficiency of the Posts and Telegraphs Directorate by obtaining the best available officials with considerable practical experience especially in the technical branches of the Department.

SERVICE LIMIT FOR OFFICIALS TAKEN FROM CIRCLE OFFICES INTO P. & T. DIRECTORATE

1126. *Mr. Ramayan Prasad: (a) Will the Secretary for Posts and Air please state if it is a fact that while drafting on deputation officials from subordinate offices to the Posts and Telegraph Directorate in the year 1941, a similar service limit of about ten years was prescribed. If so, what was the intention behind the prescription of this service limit?

(b) Is it a fact that some officials from amongst those drafted from subordinate offices to the Posts and Telegraphs Directorate have been recently selected for confirmation in the latter office? If so, what was the service put in by each such official on the date of his entry in the P. & T. Directorate?

(c) How many officials thus selected conform to the condition of service limit referred to in part (a) of the previous question and also to part (a) above?

(d) Are there no officials on deputation who fulfil the condition of service limit? If there are, why have they not been selected instead?

(e) Do Government propose to make the selection afresh, taking into consideration the condition of service referred to?

Sir Gurunath Bewoor: (a) presumably, the Honourable Member is referring to the maximum limit of ten years service mentioned in part (a) of his previous question. If so, the reply is in the negative. The latter part does not arise.

(b) Yes. I lay a statement on the table.

(c) As will be seen from my reply to part (a), no maximum service limit was prescribed. Part (a) of the previous question which relates to recruitment to Circle offices does not apply in this case.

(d) Does not arise in view of my reply to part (a) of the question.

(e) This does not arise as the selections already made are in keeping with the existing orders.

Statement of officials of subordinate services selected for permanent appointment in Posts and Telegraphs Directorate

Name	Service
(1) Mr. T. N. Mehta	About 14 years.
(2) Mr. M. Y. Shaikh	12 "
(3) Mr. A. K. Gupta	16 "
(4) Mr. N. P. Raman	14 "
(5) Mr. Mohd. Jan	18 "

CONTROLS ON PRICES AND MOVEMENTS OF CHARCOAL, WOOD AND OTHER FUEL

1127. *Sri M. Ananthasayanam Ayyangar: Will the Honourable Member for Industries and Supplies please state:

(a) how long it is proposed to continue the present controls on the prices and movements of charcoal, wood and other fuel into Delhi;

(b) why all these controls cannot be abolished immediately or at least before the 1st April, 1946;

(c) the number of staff employed on working this control, and the cost incurred in its working during the financial year 1945-46, in the Delhi Province; and

(d) whether Government are aware that the controls are continued merely in the interests of the staff employed for the purpose?

The Honourable Mr. A. A. Waugh: (a) to (d). Information is being collected from the Chief Commissioner of Delhi, and will be placed on the table of the House when it is received.

FACILITIES FOR INDIAN NATIONALS IN INDO-CHINA

1128. *Sri M. Ananthasayanam Ayyangar: Will the Foreign Secretary be pleased to state:

(a) all the arrangements made for the safety of properties of Indian Nationals in Indo-China, and all the facilities given to those persons to return to India;

(b) whether representation was made to the Government of India to that effect; and

(c) whether instructions were given to the British Representative in Indo-China to negotiate with the French authorities to secure all facilities in the interest of Indian Nationals since the occupation of the French Government is completed?

Mr. H. Weightman: With your permission, Sir, I propose to answer questions Nos. 1128 and 1129 together.

The Honourable Member is referred to the replies given by me on the 22nd February, 1946, to questions Nos. 440 and 441.

BANKING FACILITIES FOR INDIAN NATIONALS IN INDO-CHINA

†1129. *Sri M. Ananthasayanam Ayyangar: (a) Will the Foreign Secretary be pleased to state:

(a) if it is a fact that the French authorities refused to allow Indian Nationals in Indo-China to send money to their families in India on account of the blockade imposed during the war by the Government of India; if so, whether the Government of India propose to cancel the blockade, take immediate steps to impress upon the French authorities to have exchange rates, and allow remittances to India in the interest of Indian Nationals and their families in India;

(b) whether there is any representation made by any individual and by the then Member of the Assembly, Mr. T. T. Krishnamachariar, on the above points and if any information is forthcoming whether the same will be placed on the table of the House for the information of the public; and

(c) all the arrangements made by the Government of India for securing priority in passage facilities for Indian Nationals stuck up in Indo-China to come to India and for persons in India owning properties there to go there to look after their property?

CREATION OF INDUSTRIAL STATISTICS DIRECTORATE AND QUALIFICATIONS OF ITS DIRECTOR

1130. *Sri M. Ananthasayanam Ayyangar: (a) Will the Honourable Member for Industries and Supplies be pleased to state when the Directorate of Industrial Statistics was created?

(b) What are the special qualifications of the present Director? Has he any academic qualifications in statistics or experience in any statistical branch in Government or elsewhere?

(c) Was the present incumbent drawing only Rs. 600 in another Department of Government, some four years back? What is his present salary?

(d) Was the post advertised and was the selection made by the Federal Public Service Commission? If not, why not?

(e) Why is not the Economic Adviser asked to look after the Industrial Statistics also? Why is a separate Department found necessary?

(f) Is it a fact that persons with qualifications in Economics are preferred to those with qualifications in Statistics? If so, why?

The Honourable Mr. A. A. Waugh: (a) In April, 1945, the late Industries and Civil Supplies Department decided, with the concurrence of the Economic Adviser and the Finance Department, to set up an organization adequate to deal with the enforcement of the Industrial Statistics Act, 1942, and with the question of taking a Census of Industrial Production. The sanctioned posts include a Director, two Deputy Directors, two Assistant Directors and four Research Officers.

(b) The present Director, Dr. Kaul, holds the Ph.D. Degree of London University for work done with Prof. A. L. Bowley of the London School of Economics. He had, also, training in advanced Statistical methods in the Department of Applied Statistics, London University, under Prof. Karl Pearson. Dr. Kaul spent some 10 years teaching Economics and Statistics in the Universities of Rangoon, Allahabad, Aligarh and the Punjab. From 1937 to 1940 he was employed in the League of Nations at Geneva, where he dealt with Statistics from member nations in the preparation of international studies. On return to India he was appointed in the Commerce Department in 1941, and in the late Industries and Civil Supplies Department on its creation in 1943. After holding the posts of Under Secretary, Deputy Secretary, he was appointed Director of Industrial Statistics on 27th April, 1945.

†For answer to this question see answer to question No. 1128.

(c) On return to India, Dr. Kaul was first appointed in the scale of Rs. 800—50—1,000 in 1941. At Geneva he had been drawing the equivalent of Rs. 1,500. His present pay is Rs. 2,000.

(d) No, Sir. The post of Director has been sanctioned for a period of one year only. Under the rules Departments of the Government of India are competent to recruit candidates for such temporary appointments.

(e) The Department of Industries and Supplies is in charge of Industrial Statistics. There are obvious advantages in having the Department in charge of Industries dealing with industrial statistics through its own officers, and the scope of the work, which is largely 'pioneer' work, justifies the organization set up in the Department.

(f) For work of this kind good qualifications in both Economics and Statistics are necessary, together with considerable administrative experience.

UNSTARRED QUESTIONS AND ANSWERS

NUMBER OF POSTS UPGRADED ON N. W. RAILWAY

141. Seth Sukhdev: Will the Honourable the Railway Member be pleased to lay on the table of the House a statement in a tabulated form showing the number of posts upgraded on the various Divisions of the North Western Railway separately for each Division, permanently and temporarily as a war emergency?

The Honourable Sir Edward Benthall: I regret I cannot undertake to supply the information as its collection will entail an expenditure of time and labour incommensurate with the results to be obtained.

FRAUDS COMMITTED IN FOOD DEPARTMENT OF N. W. RAILWAY

142. Seth Sukhdev: Will the Honourable the Railway Member be pleased to lay a statement on the table of the House, showing frauds committed in the Food Department of the North Western Railway, giving particulars of the shop, commodity, and the amount involved during the calendar year 1945, and the action taken in each case?

The Honourable Sir Edward Benthall: According to the information available there were in all 65 cases of frauds in the grainshops of the N. W. Railway during 1945 involving an aggregate amount of Rs. 26,631-3-6. Out of these, 23 cases involving Rs. 19,988-7-0 relate to misappropriation by the staff of the grainshop organisation or by the wheat distributing contractors and the other 42 cases involving Rs. 6,642-12-6 are those in which the Ration Card holders had drawn rations at concessional rates to which they were not entitled either on account of the pay-limit beyond which concession rates are not admissible or by false declaration of particulars of family members in Census Cards.

A statement is placed on the table of the House giving particulars of the five most important cases involving a total amount of Rs. 15,788. The balance is made up of items of less than Rs. 500 each.

In five cases a sum of Rs. 1,379 in all has been recovered and in two cases action is being taken to recover Rs. 845 from the parties found guilty. One Cash Memo Clerk, one Salesman and one Weighman have been discharged from service and 2 Grainshop Managers have been transferred from their posts. The remaining cases are still under investigation.

Statement showing the particulars of frauds involving more than Rs. 500 each over the N. W. Railway during 1945

S. No.	Name of shop	Particulars of fraud	Amount involved		Action taken
			Rs.	P.	
1	Various Coupons-Sellers of Lahore Division.	Unauthorised sale of coupons of certain commodities by certain sellers . . .	823	0	The matter is still under investigation.
2	Chhanga Manga and Wazirabad .	Short delivery of 138 maunds and 54 seers wheat and 2389 empty bags by the distributing contractors . . .	3,581	0	
3	Loco Grainshop No. 2 Lahore .	Embezzlement of Government money by a clerk who was alleged to have been handed over the sum of Rs. 895-15-3 for depositing with the Chief Cashier and Treasurer but who failed to do so	896	0	Ditto.
4	General Stores Grainshop Lahore	Fraudulent sale of 3 Cash Memo Books and misappropriation of sale proceeds	651	0	
5	Gujranwala Reserve Depot .	Rejected supply of soap weighing 306 maunds 15 seers paid to Ward Keeper .	9,837	0	The amount was recovered from the Cash Memo Clerk directly responsible for the misappropriation. He was discharged from service. One salesman and one weighman have also been discharged. The Grainshop Manager has been served with a charge sheet and action will be taken against him in due course. The matter is being investigated by D. I. G. and Special Police Establishment (War Department).
Total			15,788	0	

CONTROL OF SILK YARN IN BENGAL

143. Mr. Sasanka Sekhar Sanyal: Will the Honourable Member for Industries and Supplies be pleased to state:

- (a) the various measures for control of silk yarn in Bengal;
- (b) the purposes for which such measures were adopted;
- (c) whether after the cessation of war there is any purpose for keeping alive these control orders;
- (d) whether Government have in contemplation any measure for controlling silkwoven texture; and
- (e) the general policy for such control?

The Honourable Mr. A. A. Waugh: (a) The ceiling prices of silk yarn were fixed by the Central Government last June. These prices apply to Bengal as well as to other parts of India. I do not know whether the Bengal Government have taken any additional measures.

(b) The object is to try to ensure that the public can buy available supplies of silk at a reasonable price.

(c) India's consumption of silk before the war averaged about 4 million pounds a year. At present our silk production is barely 1½ million pounds a year, and imports are much lower than in the pre-war years. Supplies are therefore much less than demand and it is for this reason that Government have continued control.

(d) Control of prices of silk fabrics is in force. No new measure is contemplated.

(e) The general policy is to try to see that silk fabrics are sold at reasonable prices to consumers.

TRAVELLING ALLOWANCE TO N. W. AND G. I. P. RAILWAY EMPLOYEES

WHILE ON DUTY

144. Diwan Chaman Lall: Will the Honourable the Railway Member please state:

(a) whether it is a fact that no travelling allowance is paid to a Railway employee required to proceed on duty within a radius of five miles from his headquarters station;

(b) whether such a radius is calculated by (i) Rail or (ii) Rail-cum-road; in the latter case, the minimum and maximum distance which an employee may be required to cover by road; and

(c) whether any carriage hire is allowed to an employee for road journey referred to in part (b) above; if so, the scales on the North Western and Great Indian Peninsula Railways?

The Honourable Sir Edward Benthall: (a) Yes, except in certain circumstances as explained in reply to part (c).

(b) As regards the first portion, the radius of 5 miles is calculated by the shortest route, whether by rail or road or by rail-cum-road, from the railway station where the headquarters of a railway employee is located. The reply to the second portion does not arise.

(c) Yes, the actual cost of hiring a conveyance within the rates prescribed by the Municipality or Local Government concerned is admissible to railway servants required to travel on duty occasionally. Those required to travel frequently on duty within a radius of five miles are granted a motor car or motor cycle or conveyance or horse allowance in accordance with Rules 244 and 245 of the State Railway Establishment Code, Vol. I., a copy of which is available in the Library of the House.

SELECTION OF FOOD INSPECTORS IN KARACHI DIVISION, N. W. RAILWAY

145. Seth Sukhdev: Will the Honourable the Railway Member be pleased to state:

(a) whether a selection for the Posts of Food Inspectors was held in January last in the Karachi Division of the North Western Railway;

(b) whether it is a fact that the result of the selection was shelved on the ground that junior employees were allowed to compete;

(c) whether it is a fact that the posts of Food Inspectors are temporary and that no employee is eligible for confirmation against them;

(d) whether it is a fact that under the provisions of paragraph 6, Appendix II-A, of the Establishment Code, Volume I, proper employees were called for selection;

(e) why then the selection results were cancelled;

(f) what steps Government propose to take to ensure selections in accordance with rules; and

(g) if it is proposed to revise the orders and allow selection results held in January to stand good?

The Honourable Sir Edward Benthall: I have called for the information and will place the same on the table of the House in due course.

STOPPAGE OF BENGAL NAGPUR RAILWAY DOWN BOMBAY MAIL AT GHATSILA

146. Mr. Sasanka Sekhar Sanyal: Will the Honourable the Railway Member be pleased to state:

(a) why the Bengal Nagpur Railway Down Bombay Mail does not stop at Ghatsila, though the Up Bombay Mail does stop there;

(b) whether, and if so, why an exception is made in respect of the men of the Indian Copper Corporation for whose benefit the said Down train stops there for some days in the month; and whether it is a fact that even when the said train so stops other passengers (including upper class) are not allowed to avail of the said train; if so, the reasons therefor;

(c) whether he is aware that there is a large and pressing demand from the public for a short stoppage at the said station; and

(d) the difficulties in the way of arranging for such stoppage?

The Honourable Sir Edward Benthall: (a) The Up Bombay Mail has for many years been scheduled to stop at Ghatsila as the traffic offering from Calcutta to this station justifies the stop. The Down Bombay Mail was not scheduled to halt at the station as in pre-war days it passed it at an inconvenient hour and there were alternative services at more convenient times.

(b) Yes, out-of-course halts, limited to a maximum of 4 a month, were agreed to as a special war-time concession in favour of officials of the Indian Copper Corporation, who had to maintain close liaison with Government officials in Calcutta in connection with important war production. With the termination of the war emergency, the Railway Administration are considering the discontinuance of the special dispensation. Information is not available in regard to the second part of this question. A copy however of this question and my reply is being sent to the General Manager for suitable action.

(c) The Railway Administration have not received any representations to indicate a large and pressing demand from the public in this direction.

(d) The Railway Administration propose in their forthcoming Time-table to re-introduce the second Howrah-Nagpur Passenger Trains Nos. 11 Dn, and 12 Up, and this will restore the train services serving Ghatsila to the pre-war level. As passengers will then have the choice of three convenient down trains at Ghatsila, there is no justification for stopping a long-distance mail train at

the station, and thus adding to its over-all timing, particularly when the Administration are endeavouring in response to the public demand, to accelerate the mail timings.

TERMS OF REFERENCE OF DR. AHMED, OFFICER ON SPECIAL DUTY, RAILWAY BOARD

147. **Sri A. Karunakara Menon:** Will the Honourable the Railway Member be pleased to state:

(a) the terms of reference of Dr. Ahmed, Officer on Special Duty with the Railway Board and place on the table a copy of the questionnaire issued by him; and

(b) whether it is proposed to create posts of Director and Deputy Director of Medical Service with the Railway Board?

The Honourable Sir Edward Benthall: (a) Dr. Ahmed is a member, representing the Railway Medical Department, of the Housing Committee appointed by the Railway Board to look into the general question of the scale of accommodation to be provided for various classes of non-gazetted railway employees on the different Government Railways. In addition, he has been detailed to look into certain questions connected with post-war medical facilities on Railways. As regards the second portion of this part of the question, two questionnaires have been issued by Dr. Ahmed regarding the re-organization and development of medical services, but Government do not consider that any public interest will be served by placing copies on the table of the House.

(b) The question of creating a temporary post in the office of the Railway Board to accommodate a Railway Medical Officer is still under consideration.

RULES FOR FILLING OF SELECTION POSTS ON STATE-MANAGED RAILWAYS

148. **Sri A. Karunakara Menon:** Will the Honourable the Railway Member be pleased to state:

(a) whether it is a fact that rules for filling 'Selection Posts' have been framed by the Railway Board, if so, where are they incorporated; and

(b) whether it is proposed by the Railway Board to lay on the table of the House a list of 'Selection Posts' on each of the State-managed Railways; if not, why not?

The Honourable Sir Edward Benthall: (a) Yes, the Honourable Member is referred to the rules governing the promotion of subordinate staff contained in Appendix II-A of the State Railway Establishment Code, Volume I, (as amended by Correction Slip No. N. 566), a copy of which is available in the Library of the House.

(b) Up-to-date information is being obtained from railways and will be laid on the table of the House in due course.

SHORT NOTICE QUESTION AND ANSWER

STATUS OF INDIANS AND CONSTITUTIONAL REFORMS IN MALAYA

Seth Govind Das: (a) Has the attention of the Secretary for Commonwealth Relations been drawn to the reports of the recent debates in the House of Commons on Constitutional Reforms in Malaya?

(b) What action have Government taken to safeguard the status, rights and privileges of the Indian population in Malaya under the proposed Constitution?

(c) Is any new Indian labour to be sent to Malaya? If so, what action have Government taken to ensure that proper working conditions and the quality of status with other residents in the country are secured for such Indian labour?

(d) What action have Government taken to safeguard the status, and rights of Indians other than labour proceedings to Malaya?

Mr. R. N. Banerjee: (a) Yes.

(b) Under the proposed new constitution of Malayan Union, Indians are to be eligible for acquiring Malayan Union Citizenship by fulfilling certain residential conditions and they will not be debarred from acquiring that status on grounds of race or origin. No special action is, therefore, considered necessary at this stage; but the Government of India will continue to maintain a close watch on all developments.

(c) and (d). The Government of India would permit emigration of fresh Indian labour to Malaya only after an agreement has been arrived at between the Government of India and the Government in Malaya in respect of adequate wages and satisfactory working conditions for Indian labourers and of equality of status for Indians of all classes resident in Malaya with other residents.

Seth Govind Das: The Honourable Member said that citizenship rights for Indians in Malaya depend on residential qualifications. If Indians who are there now return to India and wish to go back on account of economic reasons, may I know if those citizenship rights will be given to them?

Mr. R. N. Banerjee: I think so; that is how we interpret the announcement.

Seth Govind Das: Has the Honourable Member seen in today's *Hindustan Times* that the British Government has announced modifications of its plans for setting up the Malayan Union? May I know what those modifications are?

Mr. R. N. Banerjee: I have seen the report but I cannot recall having seen any suggestion about modifying the proposals about Malayan citizenship.

Seth Govind Das: Has the Honourable Member seen in the same report the following:

"A more violent attack was launched by Communist William Gallagher who also levelled a charge that the people were being divided up and advocated giving equal rights to the Chinese, all Indians and Malaysians and giving them an opportunity to express themselves and to build up their country as responsible citizens and not as something to be played with by British administrators. He named as an arrogant presumption talking about the people of Malaya as inferior races."

Mr. R. N. Banerjee: I have seen that, but what is the question?

Seth Govind Das: The question is. Is it a fact that the British Government is playing with Indians and Chinese there and for a long time to come the condition of Indians in Malaya would be just the same as in South Africa or Kenya?

Mr. President: I think that is a question for the British Government to answer.

Seth Govind Das: My question is whether the British Government are introducing this legislation with a view to making the condition of Indians in the Malayan Union as precarious as in South Africa.

Mr. R. N. Banerjee: This is about the most liberal pronouncement made by His Majesty's Government with regard to the status of Indians in any overseas country within the Commonwealth.

Mr. Ahmed E. H. Jaffer: May I ask the Honourable Member whether he is prepared to give similar facilities to Muslim League leaders to visit Malaya as were given to Pandit Jawaharlal Nehru?

Mr. R. N. Banerjee: I do not suppose that question arises out of the original question.

Mr. Ahmed E. H. Jaffer: This is a question affecting Indians in Malaya; we want to send our representatives to look after the Muslims in Malaya.

Sri M. Ananthasayanam Ayyangar: May I know if these Indians in Malaya who are already settled there will automatically become domiciled citizens there by virtue of the Act?

Mr. E. N. Banerjee: Yes, provided they satisfy the conditions regarding residence as laid down in the White Paper.

Sri M. Ananthasayanam Ayyangar: May I know what the residential qualifications are?

Mr. E. N. Banerjee: Roughly, ten years' residence in a period of 15 years or five years' residence plus a declaration of the person's intention to adopt Malayan domicile.

Sri M. Ananthasayanam Ayyangar: With regard to persons who satisfy the first condition as given by the Honourable Member, will they also have to send a declaration or will they automatically become citizens of the country?

Mr. E. N. Banerjee: I think, Sir, the declaration is not necessary.

Prof. N. G. Ranga: Will Government associate with themselves representatives of non-officials from the south, from where a great part of this labour population hails, before they come to an agreement in regard to labour emigration to Malaya?

Mr. E. N. Banerjee: This House and the other House have elected a body of wise representatives who constitute our Standing Committee. And I can assure the Honourable Member that all these matters will be duly placed before that Committee.

Prof. N. G. Ranga: Will they be consulted before they come to an agreement at all?

Mr. E. N. Banerjee: Departmental Standing Committees are intended to be consulted before any action of importance is taken.

Babu Ram Narayan Singh: Sir, with regard to these questions I have to make a submission. Some time ago a circular was issued that owing to press difficulties copies of questions will not be supplied to those Members who have no questions on the agenda for the day. Now that questions have, as I find, begun to be printed I request you to supply us with these copies.

Mr. President: I understand that Members are getting some copies. Is that so?

Mr. B. B. Varma: They are not supplied to Members who have no questions. We should also like to get copies.

Mr. President: The press difficulties have not been yet over. The arrangements are to have a limited number of copies printed and the old request to Honourable Members stands. If any Honourable Member wants a copy he can have it from the Notice Office. It may be that in distribution some Honourable Member may not have been supplied with a copy. He can have it from the Notice Office. The old request of mine still stands.

INDIAN FINANCE BILL—contd.

Mr. President: The House will now proceed with the further consideration of the Finance Bill.

Ahmed E. H. Jaffer (Bombay Southern Division: Muhammadan Rural): Can we continue the debate when neither the Finance Member nor the Finance Secretary are present in the House?

Mr. President: Yes.

Seth Yusuf Abdoola Haroon (Sind: Muhammadan Rural): Mr. President, Sir. I was referring to the Planning Department yesterday when my Honourable friend was not in the House. I would suggest that the Planning Department should be closed down because it has served no useful purpose. Every Department is planning by itself and is going ahead without any co-ordination. I happen to be a member of the Planning Committee and, as far as I know, the various Departments are not submitting their plans to this Department, and

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they are going ahead with their programmes without referring them to the Planning and Development Department. My Honourable friend on the right yesterday rightly pointed out that the Planning Department cannot be successful in its work unless they have got the confidence of the people. Sir Ardeshir Dalal himself had referred to this on many occasions, and we know fully well that his resignation came as a surprise to all of us here, but the Government did not tell the House the reasons for his resignation. No explicit statement has been made on this point and it is the right of this House to know the reasons of his resignation and also why this Department has not been able to co-ordinate the work properly. If the Department has failed, it is for lack of organization, lack of experienced men, and for lack of confidence of the commercial world.

Sir, the problem of shipping has also been a very acute one. During the war the British Government established here a branch of the British Ministry of Shipping which took over shipping from the shipping companies which existed in India at that time. I do not know whether this branch of the British Ministry of Shipping is still functioning and whether it has still got the same powers. Assurances have been given to us that attempts are being made to increase the mercantile marine, but so far the Government have not been successful in doing that. The trade of India, both import and export trade, is restricted through the bottleneck of shipping, and because of the subordinate position of this Government to His Majesty's Government in the matter of shipping. This is terribly unsatisfactory. The sterling balances are being accumulated and yet we cannot impress upon His Majesty's Government for the release of shipping. Although during the war we were told through the machinery of propaganda of the Information Department which is at their command that shipping and mercantile marine had increased to the double as compared to what we had before the war, yet we do not find any improvement in the situation. What has happened to this shipping? The Government of India's Agent in the United States has never paid any attention to this point. He has never taken the trouble to enquire where the surplus shipping of the United States and other Allies have disappeared. The Agent-General, as far as this House knows, has only one job to do, and that is to propagate against Indians and their interests, and to propagate in favour of the present Government and their ideals—what they stand for. May I request the present Government to make an enquiry into this matter, and let us know what amount of shipping can be made available to us immediately? The sterling balances on the V. J. Day stood at three-hundred crores and I suggest that the great need of India in the matter of shipping should be impressed upon His Majesty's Government for two reasons: Firstly, to prevent accumulation of sterling balances, and, secondly, to solve India's transport requirements. The transport problem has been extremely acute, and that is one of the reason why there is food shortage in this country. If shipping had been released at an early date, the problem which is facing this country today would not have been so acute as it is at present.

Coming to the question of sterling balances, they are compulsory savings of this country. I regret, Sir, that I was not present in the House when this question was debated, but I would like to stress that the Muslim League Party is as much interested as any other party in this country. It is the moral obligation of England to repay them. I have been hearing and reading about the scaling down of the sterling balances which is indeed offensive to this country. For one of the richest countries of the world to talk of scaling down the debt which she owes to a country which is the poorest is really offensive, I would like the Honourable the Finance Member to give a definite assurance that further accumulation of sterlings in this country will be stopped immediately, or he should state definitely that further accumulations will amount to so much. We would like to know where we stand. This could have been avoided if export was allowed to us

The Honourable Sir Archibald Rowlands (Finance Member): Exports increase the sterling balances.

Nawabzada Liaquat Ali Khan (Meerut Division: Muhammadan Rural): He means exports from England.

Seth Yusuf Abdoola Haroon: I mean imports. My Honourable friend has been credited for talking of a delegation. I do not know whether there is any truth in it. A delegation should be sent from India to England, I am personally against such a move. My country being placed as a creditor country, we should expect a delegation from England to come to us and tell us as to what they want to do and what are their intentions. Our view is that the sum should be repaid by England from such resources as England has got including the mobilization of assets in India to which my Honourable friend, Diwan Chaman Lal referred to yesterday.

I would like to draw his attention to another fact that there are other assets than to what my friend referred. There are the tramways, the banks in India whose owners have no interest in this country but not only having good fat dividends in England, the "*Times of India*" and such like.

The Honourable Sir Archibald Rowland: Better take over the "*Hindustan Times*".

Seth Yusuf Abdoola Haroon: They should be made over to us immediately and this will amount not to 200 crores but to 400 crores of rupees.

Sri M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): The policy must be changed.

Seth Yusuf Abdoola Haroon: My friend suggests to me that it should be handed over to the Muslim League Party which has no paper and I welcome the suggestion.

I would like the Finance Member to tell us what is the total volume of orders which are being negotiated by this country in England. The other day the Honourable the Finance Member replied to a question that about 30 crores of textile machinery was on order in the United Kingdom. Then there are locomotives and the wagons and the orders placed for railways by the Honourable the Transport Member. The Government of India Department for Agriculture are placing orders for irrigation machinery, for boring, for road-making and hydro-electric schemes, forests, posts and telegraphs and many other central activities are also placing orders in England. There is a large order being planned and placed by Provincial Governments. Then there are orders collected from India and placed in the United Kingdom for and on behalf of the Indian States, who also have large plans involving the importation of capital goods. All these amount to a very big sum. Has not the Finance Department looked into it and are they not able to tell us the total amount of these orders which have been placed? There are also current requirements like motor cars which are being negotiated for. I think that these orders run up into 400 to 500 crores of rupees. Am I right in this, and if the Government say that my figure is wrong, will they give us the correct figure or the approximate figure as to what these orders amount to? If India wants to buy all this from the United Kingdom, would it be a fair proposition to tell us that we cannot use our sterling balances which are frozen and that the payment of these balances will begin from 1951 at the rate of two per cent every year, and that in the meanwhile for all our immediate requirements during the next five years, we will have to find fresh money? Or we will have to export largely in order to pay for these orders? Is it a fair deal to India which the Honourable the Finance Member is offering? Why do His Majesty's Government leave us in suspense and why is not a fair deal being given to us? If there is a feeling in England that financial justice is to be given to India only when the Anglo-American Treaty is signed, I should say it is not at all fair to us. We are not responsible about what agreement or what arrangement they arrive at. But we are only interested to have our sterling balances back or a proportion of them back in the fresh orders which are being placed. If justice is not being done to us, then to the words of the Prime Minister, Attlee "to seek voluntarily to remain in the British Empire", I would only reply to him in such words but in a different sense according to the expression used by

[Seth Yusuf Abdoola Haroon]

one of the members of the European Group the other day, namely, "that you will get as good as you give us". I am sure the Finance Member will, not, when he gets up to reply, say that I am leaving, and therefore

The Honourable Sir Archibald Rowlands: I will.

Seth Yusuf Abdoola Haroon: But the responsibility is yours. Till you keep your seat you owe that responsibility to the country. I know how irresponsible you have been.

Mr. President: Order, order. The Honourable Member is addressing the Chair!

Seth Yusuf Abdoola Haroon: I am very sorry. Irresponsible as the Government have been, still they owe a sense of responsibility to this country and they should before quitting their offices do something good for India and not divert whatever they have towards the other country to which they are going. While my Honourable friend, Diwan Chaman Lall, was speaking, the Honourable the Finance Member said that he is cutting down Defence expenditure. Defence expenditure amounts to Rs. 244 crores which cannot be regarded with complacency by any Member of this House. We do not want to be told that the officials have done everything to reduce this expenditure. They have not been able to do so. The Finance Department and my Honourable friend has very little control over the War Department. Mr. Mason with his iron fist will not allow him to reduce whatever he desires or wishes.

The Honourable Sir Archibald Rowlands: Rubbish.

Seth Yusuf Abdoola Haroon: I hope that it will be rubbish. I hope that he will succeed in cutting down to the extent that the Standing Finance Committee proposed to him.

Prof. N. G. Ranga (Guntur *cum* Nellore: Non-Muhammadan Rural): He failed!

Seth Yusuf Abdoola Haroon: I am sure that he will not say then that it was rubbish. There has been a great delay in demobilization of both Indian and British units. There is an expenditure of Rs. 3 crores on army entertainment. We want the army to be reduced and we want the entertainment charges to be reduced at a very early date, not simply on the floor of the House to be said that we will do it but it should be done and we want to see the results. We want that at least this Standing Finance Committee to go into the question and deal with it. They should be given a free hand and not be ruled by the War Department. I am sure, before quitting his office, if the Finance Member gives India this present of curtailing the Defence expenditure, I think he would have done a great service to India. Regarding the civil side I would remind him that this war taxation cannot be maintained without ruination to this country and the only sound method is to curtail expenditure. After the last war the Inchcape Committee was brought into existence, because the then Finance Member failed to curtail expenditure during the war. I am sorry I have to bring to the notice of the Finance Member that he will not succeed, his Department will not allow him to retrench unless he has the backing of the members of this House. To have the backing of this House he should appoint a non-official committee to go into the details. It should be a committee with full powers to look into all the aspects of expenditure, and if you do that and if you give them a freehand, I am sure the Government will benefit and also the country, whose interest is dearer to us than to them. I hope the Honourable Member will at least go into this question of appointing a non-official committee and he will have the blessing of all sections of the House in retrenchment and in curtailing expenditure which is being incurred without any reason, just to provide jobs to some people in some Departments, people who come from a foreign country where they could not be employed. This should be done away immediately. I hope the Honourable

Member will have the benefit of the advice on this question of the members of this House and when he leaves his office he will himself feel that he has done some justice to India during his term of office. I am sure Indian will then at least remember him with gratitude. I have done.

Sjt. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): Sir, when I heard from the lips of the Finance Member the following words:

"Though our external foes have been overthrown, the world and particularly India, is still confronted by a whole array of dangerous and enduring enemies—poverty, squalor, illhealth, illiteracy under-nourishment, under-employment—and of these the most formidable is poverty."

I thought that the British rule, through the Finance Member, was going to confess before its formal death. When I listened to these words, immediately similar words came to my mind which are contained in the Congress Pledge. When that pledge was framed by the Indian National Congress in the year 1929 there was a good deal of criticism to the effect that matters had been exaggerated. Sir, with your permission I will read the relevant portion:

"We believe that it is an inalienable right of the Indian people as of any other to have freedom and enjoy the fruits of their toil and have the necessities of life so that they may have full opportunities of growth. We believe also that if any Government deprives the people of these rights and oppresses them, the people have a further right to alter it or abolish it. The British Government in India has not only deprived the Indian people of their freedom but has based itself on the exploitation of the masses and has ruined India economically, politically, culturally and spiritually. We believe therefore that India must sever the British connection and attain *purna swaraj* or complete independence."

I think if any proof was needed as to whether what the pledge contains was absolutely true, it will be found in the speech of the Honourable the Finance Member. There is, however, a slight omission. He has stated "And of these the most formidable is poverty." I ask him what is the primary cause, who is the principal collaborator of these enemies?

The Honourable Sir Archibald Rowlands: The British, of course!

Sjt. N. V. Gadgil: The British Rule. Therefore, if he is sincere and I have no doubt that he is, he must join us in ending that rule.

Yesterday and a few days before that also, I heard everybody talking the language of leave-taking. Everybody wants to say that the British Rule is about to end. I just thought whether it was going to be a reality after all and suddenly I thought of referring to the history of the Indian National Congress. When its first session was held in Bombay in 1885, its resolutions were reviewed by the *London Times* on the 2nd January, 1886. This is what the paper said:

"The resolutions mean that we are to withdraw but if ever we have to withdraw we will not withdraw in favour of middle class lawyers and agitators but we will withdraw to strong arm and sharp weapons."

That was sixty years ago. If the present English Premier talks about peaceful transfer of power, I am quite willing to believe him for the time being. But the history of British rule in India is a history of promises made to the ear and broken to the heart and if some of us distrust them, the Honourable Finance Member and the community which he represents have to excuse us for that.

Now, Sir, I have often been told that the British Empire in India was founded in a fit of absent-mindedness and that they have always been muddling through. At any rate, they do not propose to leave this country in a fit of absent-mindedness. Not only that, but if you visit the North Block of the Secretariat, on the top of the main entrance you will find: "Liberty is not a boon: you have to earn it." That is a standing challenge and those who visit it or those who visit this Assembly may well remember whether after all the Britisher is prepared to part with power in the terms in which the British Premier Mr. Attlee referred to it the other day.

It is really a regretful phenomenon that all these things have happened—enduring poverty, squalor, ill-health, illiteracy, under-nourishment and under-

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employment. Why? How is it that so few have kept so many, so long toiling in slavery, ignorance and, poverty? There is no parallel to this in history. How is it that these few but not faithful, these handful but not helpful, still continue to rule the many millions in India? I thought about it outside and inside the jail and I have come to the conclusion that we have not understood what a modern state is. A modern state is something which must be based on consent and not on coercion. Throughout these 150 years and even long before that we have been taught the virtues of obedience. I want to teach my people if I have that right, that the moment you understand the real foundation of the state to be your own consent, that moment you will be free. You must reject the doctrine of unqualified obedience. There are limits to it and I want to inform the Honourable Finance Member that the era of indiscriminate obedience is gone, that of resistance both to individuals and to law has come to stay. Nothing will be accepted on authority. Nothing on tradition. It will be considered on its merits, and if the Indian people have become wide awake today, it is because they have now understood, some of them at any rate, that no power, however great it may be, can rule or can dominate if the people have the determination and the irresistible will to oppose it.

Now, coming to somewhat mundane affairs, the Honourable Finance Member has listed the enemies. After all, what is the object of the budget? After all it is not for things that we budget—it is for men; not for commodities, but for communities. There should be no restriction from that point of view; and in this connection I may respectfully bring to the notice of the Honourable Finance Member what Sir William Beveridge has laid down as the criterion of a good budget and the place it occupies in the financial arrangements of the country. According to him, the new budget must be drawn, not in terms of money available, for there is no limit to it, but in terms of human data of the men that must be employed, and the standard of productivity that must be aimed at. There are three rules. The first rule is absolute. It is better to employ people in digging holes and filling them up again than not to employ them at all. The second rule is hardly less absolute. The object of all human activity is not employment, but welfare, to raise the material standard of living, and to make opportunities for wider spiritual life. For these purposes the wise direction of outlay and so of employment, in the general interest of the community is only less important than adequacy of outlay as a whole. The third rule is this. The state in matters of finance is in a different position from any private citizen or association of private citizens; it is able to control money instead of being controlled by it. Many of the mistakes of the past have arisen through failure to make this fundamental distinction. Spending in excess of current income and borrowing have altogether different implications for the State than for private individuals

The Honourable Sir Archibald Rowlands: That is why I have got a deficit budget.

Sjt. N. V. Gadgil: Borrow as much as you like; there is no harm. Now, as I have said, the main function and I should say the only function of the budget is to provide for men; and if by your policy, general unemployment is the result, that is no tribute to your capacity to frame a right budget. In this country, there has been, as a result of the war, less unemployment; now that the war is over it is time we must exactly apportion and fix up what remedies we ought to take to solve this great problem. In this vast country, 67 per cent of the population are depending upon land, and it is an admitted fact that the land cannot provide adequately for every one of them—so on the basis of adequate remuneration or return,—I have worked up certain figures; and I also find that those are the figures which tally substantially with the figures given, not by an irresponsible agitator, but by a person belonging to the heaven-born service, Mr. Trilok Singh, I.C.S.—in his book 'Poverty and Social Change'.

The Honourable Sir Archibald Rowlands: He is in the Finance Department.

Sjt. N. V. Gadgil: He has calculated that out of the rural population of 25·78 lakhs, 7,15,86,506—27·8 per cent. are surplus, in the sense that they cannot be required to make agriculture paying; and if you add to this the unemployment in the urban areas, and if you want to make provision, not for 1946 or 1947 but taking a fairly long term view—we must have a target for the total new employment we must find in the next fifteen years. We should name the figure of the order of 22 million workers, representing a population of 103 millions. In other words that target is 33 to 35 per cent. of the total population of British India, on the figures of the 1941 census.

Now, what are your plans to find employment? The Honourable Finance Member has said in his speech that the Government expenditure has decreased and is bound to decrease in course of time. There will be a great gap and that gap must be filled by private enterprise. Why? In order to enable the private enterprise to do so, he has reduced the excess profits tax

Prof. N. G. Ranga: Abolished.

Sjt. N. V. Gadgil: I am sorry—abolished. The word 'reduced' occurred to me because in the article written by the *Statesman*, it is suggested that the Finance Member should have reduced it instead of abolishing it totally. The excess profits tax brought in 75 crores of rupees. Why is it that he has abolished it altogether? The reason, I think, is that whatever may be his personal views, this Government is afraid to take a major decision whether it stands for state socialism or private enterprise

Prof. N. G. Ranga: It stands for private enterprise, that is true.

Sjt. N. V. Gadgil: The British people have taken the decision. They have decided in favour of socialism; and I do not think there will be anybody to reconsider it. But here in India, with the best opportunity offered—it is only in war time that the big capitalists agreed to control, because they know even under those circumstances they stand to gain, but once they have got the controls it was an easy job for the Government to introduce nationalisation in many fields of economic activity. I think my description which I gave to one of my friends about the Finance Member and which I want to repeat here, is more or less correct. He looks a middle-class man, his accent is socialist, but his action is capitalist. Whatever may be his personal opinions, I think this Government flies the same flag which the conservative party flew at the time of the general election, namely, private enterprise. Now, what does this private enterprise really mean? What has it meant during the war time, in point of food, in point of clothing, in point of housing? I will not say anything about food, because I have dealt with that subject while I was speaking on the cut motion with respect to the Executive Council. Prices of all other commodities have risen many times but the prices of agricultural products, especially the cereals, have not risen to the same tune.

The Honourable Sir Archibald Rowlands: Excuse me. That is entirely wrong.

Prof. N. G. Ranga: The Honourable Member is entirely ignorant.

Sjt. N. V. Gadgil: My facts will be more eloquent than words and Prof. Ranga will come in and explain them later. Then in the matter of clothing I understand that out of the 75 crores of E. P. T. 75 per cent. came from the textile industry. I understand that one of the mill owners in Ahmedabad has got a photo of a cheque for more than a crore of rupees which he gave to the Government by way of E. P. T., to show probably his loyalty and greatness. I only wish he has kept by the side of the same photo the pictures of the half naked and half starved persons in Bengal and in other parts of India. Even after paying the E. P. T. this and other industries have made still huge and abnormal profits; at whose cost? You control the prices. I know how the prices are controlled. Every time the industrialist got his way. Has he reduced the prices? Having given them this great relief, what does the Finance Member say? He only makes a request. He says:

"In my judgment the profit in certain sections of industry here are excessive and it would, I submit be in their own interest as well as in the interest of the country voluntarily to reduce their prices to the consumer."

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Will they reduce the prices? For three years, they won't reduce the prices.

Now, take other industries also. The rate of freight and passenger fares from Bombay to ports in the Konkan have risen by 6 to 7 times and the advice that this Government usually gets in the matter of fixing rates is always from those very persons who are interested in those particular industries. The E. P. T. was not paid by the mill owners from their pockets. It has come from the pockets of the poor. What have you done for the poor. Reduction in the duty on kerosene oil, so that they may burn their already dilapidated houses. In this connection I am reminded of what the then Finance Member did for the villages in 1935, not from very good motive. He budgetted one crore for the year 1935-36 but he would not budget it for the year 1937 because the elections went against his expectations. You have given all sorts of concessions for building activities in the city. I have no grievance because I know the overcrowding in Bombay—4.92 persons in one single room, 10' by 10'. Even in London with present difficulties the proportion is 1.7 or about that. I have no grievance about these concessions but without some control of rents these concessions will be worked in a manner which will not give any benefit to the poor. May I ask what you have done for the housing problem in the rural areas. During my election tours, I have visited villages after villages. I have visited them also on other occasions. Half the number of houses are down and dilapidated. They are without ceilings, without roofs. There has been no bombing, I know and yet the houses have gone down. What have you done? What provision have you made? You have got enough forests. Have you ever thought that you should provide timber and teak or other building material necessary for the building of houses in the rural areas free or at cheaper cost?

The Honourable Sir Archibald Rowlands: We are making a start about it.

Sjt. N. V. Gadgil: Your principle of taxation, if there is any principle at all, is that you make the poor poorer and the rich richer. It reminds me of what the Bible says: 'Take from him that hath not and give unto him that hath'. Taxation in India, if it is carefully scrutinised, is such that every truth seeker can come to only one conclusion and it is this, that it distributes wealth in the most inequitable, invidious and unequal manner. To illustrate it in mathematical terms, if Rs. 100 is the income, then Rs. 33 go to one person, Rs. 33 to 33 persons and the remaining 34 to 66 persons. Has it ever occurred to the Finance Member that taxation is not merely a means to raise revenue. Taxes are a potential factor, they are a great weapon in securing equitable distribution of national income. I want to know what he has done in that respect.

Prof. N. G. Ranga: Nothing.

The Honourable Sir Archibald Rowlands: I will tell you.

Sjt. N. V. Gadgil: What have you done to remove poverty? It can only be removed by finding out full employment, by making the system of taxation more equitable, by planning expenditure in the most scientific manner. I find that the position as regards expenditure is the same today as it was some years ago. May I bring to the Honourable the Finance Member's notice the wise words of the Honourable Mr. Gokhale uttered before the Welby Commission in 1892:

"Everything depends in this matter on the nature of the purposes for which the increase has been incurred and the results produced by such outlay of public money. While increased expenditure in other countries under popular control has helped to bring increased strength and security to the nations and increased enlightenment and prosperity to the people, our continually increasing expenditure has under autocratic management, defective constitutional control and inherent defects of alien domination, only helped to bring about constantly increasing exploitation of our resources, has retarded our national progress, weakened our national defences and burdened us with undefined and indefinite financial liabilities. Compelled to meet the demands of a forward imperial frontier policy and the exigencies of conquest, imperial defence and constant borrowing for commercial enterprises, often undertaken in consequence of the pressure of English commercial classes, our Indian Government has little money to spare, with all its increase of taxation, for purposes of national education; and I add other nation building activities."

Even in the present budget, if we just analyse the figures of expenditure, to see how much has gone to the nation building expenditure and what its proportion is to the expenditure on non-nation building departments what do we find? Rs. 158.10 crores out of Rs. 355.71 crores are to be spent for nation-building departments. No one can call this progressive. It is the same sorry tale. The Finance Member said in his speech that these enemies have to be fought. His Excellency the Viceroy just stated as to how they are to be fought. Here are his words "From the task of Tomorrow"—No. 1. He says, "it is to lift the poor man from poverty to security, from ill-health to vigour, from ignorance to understanding". For that they are planning. But I do not know whether they are planning for prosperity or they are planning for further poverty. I am sorry I have to use this language, nobody regrets it more than I do, because I am of the opinion that words are more powerful than atom bombs. But truth requires it to be stated that today at any rate, whatever is being done is not done for the poorer classes. How do they live? A great Sanskrit poet has said "in the morning with a small mouth, in the evening with a small mouth, with body cramped and with the sun shining and supplying heat he had met hunger and cold." (*Evan sitam Maya nitam ganu bhanu krushanubhi*). That is an accurate description of Indian poverty. Not that you do not know it. You are just like Dhritarashtra. You know what is good, but you do not want to do it, you know what is bad, but you do not want to desist from it. There may be a fatality dogging your steps. It may not necessarily be a conscious thing or a conscious act, but all the same faking it objectively the description is correct. Now, Sir, we are told that British rule is going; as I said the other day, British connection has been a tragedy. The last act should be a noble act, what began in the equivocation of Lord Hastings and forgeries of Lord Clive should end in the execution of an honest document transferring freedom to the masses. What you should take back, may I again end this in the words of a great Sanskrit poet when he says what a man takes to the world and what he leaves behind. He leaves the wealth in the iron safe, he leaves the cattle in the shed, his wife inside the room and the relatives in the funeral ground, his body on the pyre. What follows him? Whatever good he has done follows him to the other world. If any precedent is necessary, I shall give it to the English officials here that when Mahatma Gandhi left South Africa, for good, you know he only took one pound per head and left whatever he has earned for the benefit of the South African people there. May I appeal to you in that strain, leave everything, leave your plantations here, do not talk about expropriation, leave your public utility concerns in which you have shares, give up your pensions, you have done enough harm, and let it be said that whatever he may have been when he lived, he died a noble death.

Mr. Ahmed E. H. Jaffer: Sir, we are told by the Honourable the Finance Member, I hope it is correct, that this is his last budget.

The Honourable Sir Archibald Rowlands: Yes, certainly.

Mr. Ahmed E. H. Jaffer: May I therefore pay him a personal tribute for being the most popular Finance Member India has ever had. I share with my Honourable friend Mr. Manu Subedar the hope he expressed that we may see him occupying a higher position in the United Kingdom. If we have more Englishmen of his type in India, I think the great anti-British feelings that exist in the country at present will soon disappear.

Speaking in this House eleven years ago, in March 1935 on the Finance Bill, I said then and I repeat it this morning that we the Muslims of India demand from the Government of India, the unclaimed interest lying with them in respect of deposits made by Muslims in the post office savings banks, government promissory notes and investments in various banks in India. We want this amount to be utilised for the cause of the advancement of Muslim education. Sir, this question has a long history behind it. It was in 1925 that my late father Sir Ebrahim Haroon Jaffer moved a Resolution in the Council of State when he demanded that this amount should be handed over to the Aligarh Muslim University. Speaking on that occasion the then Finance Secretary, Mr. MacWaters

[Mr Ahmed E. H. Jaffer]

said that "the interest which would accrue on these deposits is roughly Rs. 10,000 a year. At the present time the amount lapses to Government". After that he also considered the question of administrative practicability of this Resolution. This is what he further says:

"As regards the second point, whether the proposal is administratively practicable, I think I can say without hesitation that so far as post office savings bank is concerned, there would be no difficulty."

I hope my Honourable friend Sir Gurusath Bewoor would also agree with that. Further he said:

"It will be possible to credit this interest to a separate account. With regard to cash certificates the position is much the same."

Sir, in 1925, it was decided that this question should be postponed for eliciting public opinion from Muslims. Then the Council of State was dissolved. After fresh elections again in 1927, the same Resolution was brought forward by my father and it was then adopted. Speaking on the same occasion, the then Finance Secretary, Mr. Brayne said:

"It has been estimated that at the outset unclaimed interest in the post office savings banks does not amount to more than Rs. 10,000. As regards Government securities, owing to the complexity of the system, it is impossible to say how much the amount is, but such investigations as have been made indicate an inconsiderable amount. Probably not more than Rs. 15,000 are involved in this discussion."

Again the question of consulting Muslim opinion was raised. Here he says:

"Government, as the Honourable Mover of the Resolution has stated made very full enquiries of the Local Governments and Muslim opinion throughout India. The majority of opinion is in favour of the proposal."

After that, the Resolution was finally adopted in 1927. Up to date we do not know what is the exact position. I feel that we are entitled to claim from the Government of India at the rate of Rs. 25,000 per year, according to the figures mentioned by the then Finance Secretary. I would not ask for compound interest. We shall be very happy indeed if the Honourable the Finance Member would give us that amount up-to-date and not only that, he would see his way to appoint a very sympathetic officer like Mr. Cook, the Joint Secretary of the Finance Department to go through the statement of accounts and see that we, the Muslims, get what is due to us in future years.

Now, Sir, coming to the question of welfare and well being of Indian troops in India, it is a matter of great regret that Indian soldiers families have no family hospitals for Indian troops in India, while the British troops have first class family hospitals for them. Similarly there are no schools for children of Indian soldiers. In every military cantonment in India we find first class schools run for children of British troops with very good arrangements for their transport in motor buses; but I am very sorry that nothing has been done for Indians and I do not find any provision in the defence estimates for expenditure on these items. It was only two days ago that I was discussing this question with the Welfare General Lt. General Sir Noel Beresford Pierson whom I have the good fortune to know for the last ten years. And knowing him as I do, I am certain that the interests of Indian soldiers are safe in his hands sympathetic general as he is. But he is helpless for want of funds. Whatever schools and hospitals are run today in the Indian regimental lines are entirely run out of funds donated by military officers themselves. I feel that some sort of arrangement should be made, and I think if the Finance Member strengthens the hands of Lt. General Sir Noel Beresford Pierson matters might improve.

When I come to the grievances of commercial concerns all over India. I have received several representations in this respect in regard to the question of outstanding dues against officers who served in the course of this war in the army, navy and air force. Many of them have been suddenly transferred in India and outside and their whereabouts are unknown. At the moment no army lists are available, and during the course of the war when inquiries were made of Army Headquarters the reply was that the information could not be disclosed. Now

that the war is over I hope Government will appoint in every Area Command committee of adjustment under the Chairmanship of the Brigade Commander concerned to see that claims put forward by the commercial concerns are looked into and settled and the amounts recovered from the officers concerned whether they are in India or in England. I am sure that the General Headquarters in India and the War Office in England will co-operate in bringing to book these defaulters who have conveniently disappeared from this country under the plea of termination of the war.

The other day the Finance Member very kindly said that he was reducing three annas per gallon from the duty on petrol. In my budget speech the other day I referred to the question of the abolition of petrol rationing. I am afraid no attention was paid by the Finance Member in his reply the other day. So I repeat that it is no use reducing the petrol duty if you cannot make sufficient petrol available to the consumers. Now that the war is over and the situation has improved I feel that petrol rationing should disappear immediately, if possible by the end of April, so that from the next quarter we may have as much petrol available as we require. Secondly we want that cars should be manufactured in India, and every facility should be given to those concerns who are floating these companies for that purpose. Not only that, but the prices fixed for these cars should be such that they may be within easy reach of the middle class people. Today it is very difficult to buy a car and even if you want to buy a second-hand car you have to pay a good bit of money.

Now I come to the question of direct recruitment to the Imperial Police Service. Speaking about the Province of Bombay I very much regret to say that in the last 15 years not more than one Muslim has been recruited to this branch of the service. I forgot to bring this point specifically forward on the cut motion the other day but I hope that in future recruitment the claims of Muslims will not be overlooked and the quotas that we are short of now, will be made up.

Prof. N. G. Ranga: And it should be completely Indianised.

Mr. Ahmed E. H. Jaffer: Certainly I want Indianisation first, but out of that I hope our quota of 25 per cent. will be given and the deficit made up.

Now I shall draw the attention of Government to the serious concern with which the present policy regarding salt is viewed by the Indian salt industry.

Mr. President: The Honourable Member may continue his speech after Lunch.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Syed Ghulam Bhik Nairang (one of the Panel of Chairmen) in the Chair.

Mr. Ahmed E. H. Jaffer: Sir, I now wish to draw the attention of the Government of India to the serious concern with which their present policy regarding salt is viewed by the Indian salt industry. I trust that the Honourable the Commerce Member will consider it necessary to tell the House of the steps he proposes to take to remove the legitimate apprehensions of this national enterprise, and to safeguard its position by removing foreign competition particularly from the Middle East countries. The apprehensions of the Indian salt industry are justified and their grievances need to be looked into immediately.

The Government of India favoured the establishment of a national salt industry as they have realized that it meant progressively lesser dependence of the country on foreign sources for an essential commodity like salt. Within a few years, the existence of the Indian Industry was threatened by foreign salt works from the Middle East ports *viz.*, Port Said. As a result of many representations and a tariff enquiry, the Government of India enforced a policy of protection for the benefit of the Indian salt industry from 1931 and the protective duty was continued until the year 1938 when it was not renewed.

The Honourable Sir Edward Benthall: What document is it?

Mr. Ahmed E. H. Jaffer: These are my notes. I am not reading any document.

On the lapse of the protection an impetus was given again to foreign salt works to send shipments of salt to Bengal in large quantities and Port Said particularly took advantage of the market to re-enter it.

The Salt Survey Committee, which Government of India had set up in 1931, had reported that India could be made self-sufficient with regard to its requirements of salt by expanding the potentialities of the existing salt works in the country. According to their estimate the West Coast Salt Works could increase their output from 2,20,000 tons to 4,35,000 tons per annum. The anticipations of this Committee have been fully justified as today their productive capacity, on a conservative basis, amounts to 4,70,000 tons. The West Coast Works are thus in a position to meet immediately 80 per cent. of the requirements of Bengal and its adjacent markets.

I regret to say that as a result of the war the position of imports of salt into Bengal altered radically to the detriment of the Indian industry. There was a considerable decline in imports from the West Coast ports, and a corresponding increase from foreign salt works, particularly Port Said which took away a large share of it. It may be pertinent to observe that a result of the war when other industries in India have made advance under Government encouragement, the Indian salt industry has had to put up a hard struggle to maintain its position and retain a fair share of the trade in Bengal. This can only be ascribed to the neglect of the Government of India to look after the interest of the Indian industry by permitting import from foreign sources under one pretext or another.

One of the main reasons for the dwindling of the imports from Indian salt works was the reduction in the number of ships placed at their disposal for salt traffic. For example, in 1939-40 while 70 ships carried salt from the West Coast Works to ports of Bengal, in 1943-44 they were reduced to only 11 ships. During past two years only two ships a month of about 12,000 tons capacity were being allotted to West Coast as against Bengal's requirement of 45,000 tons of salt per month. The Honourable the Commerce Member stated in his answer on the 28th February that during the war it was necessary to build up stocks as a precaution against salt famine, but the House would like to know from the Honourable the Commerce Member why it was necessary to curtail shipments from West Coast and starve the Indian salt works of their legitimate share of the Bengal market and at the same time build up stocks from Port Said and Red Sea ports. To talk of building up stocks of salt against famine by foreign imports is unconvincing when the Honourable the Commerce Member is aware that during the critical period of the war when the menace of Japanese submarines in the Bay of Bengal was serious, it was only the West Coast Salt works who were prepared to take the risk of navigation and ship salt to Bengal ports, and neither Aden nor the Middle East salt works would take the risk. The consequence of heavy salt shipments from foreign sources has not only resulted in a grossly overstocked position in Bengal, but has brought the Indian Salt Works almost to the point of closing down. At present there are between Karachi and Kathiawar nearly 17 salt works. The Honourable the Commerce Member said the other day that during the current six months Bengal will get 5 ships of salt from the West Coast and four from Aden. Can the Honourable the Commerce Member explain the necessity of providing four ships to Aden and giving to the 17 salt works on the West Coast only 5 ships in 6 months? Did he realize the implication of his policy and of the effect it has had on the salt works on the West Coast? The Honourable the Commerce Member must be aware that many lakhs of rupees have been invested in the Indian salt industry and the policy that the Government of India are following is likely to lead to the extinction of the industry unless the Government of India completely revise their policy.

I wish to draw the attention of the House to the answer which the Honourable the Commerce Member gave on the 28th February when he stated that the Government were not in a position in the present situation to discontinue imports of salt from foreign sources altogether. This House is entitled to know what is the 'present situation' and what are the reasons which prevent Government from stopping imports of salt from foreign sources other than Aden? The maintenance of a well established salt industry on the continent of India is vital to the national economy, because salt is basic commodity; it is necessary for the development of the chemical and agricultural industries. It is also important for vital national defence purposes. In view of this, we demand that Government should stop imports of salt into India from Red Sea and Port Said immediately or else they should adduce sound reasons for wishing to permit these imports.

I strongly urge the Government of India to examine the case of the Indian salt industry immediately as these issues are of great importance for the industry which is of national importance. The Members of the industry have taken a serious view of the present policy of the Government of India and have a right to expect that Government do take adequate and early steps to safeguard their interests. I sincerely trust the Honourable the Commerce Member, who has at heart the welfare and well being of the Indian industries, will take immediate steps to see that the grievances of the salt industry are looked into and justice is done to their cause.

Miss Maniben Kara (Nominated Non-Official): Mr. Chairman, I regret I cannot support the present Finance Bill. Being the representative of the poorer classes in this country I cannot possibly support this Bill which I think is an attempt at placating the upper classes. The present incompetent Government realizes that it is no more possible for them to continue to rule this country unless and until they make certain concessions to the upper classes. They are trying to be in the good books of the vested interests of this country. They have a lingering hope that by doing so perhaps they will be accepted as junior partners. If any one listened patiently to the speech by a member of the European Group, he could not help feeling that all that they want now is junior partnership in the exploitation of this country.

Mr. Geoffrey W. Tyson (Bengal: European): By Government or the European members?

Miss Maniben Kara: I am coming to that.

The present Finance Bill seems to me to be yet another example of the graceless acts of dying Imperialism. Sir, I have the proud privilege to belong to the Radical Democratic Party which, Sir, was the first and the only party in this country to visualise that as a result of this war the very foundations of imperialism would be shattered. The Radical Democratic Party was the first in this country

Prof. N. G. Ranga: No, no.

Miss Maniben Kara: to realise this situation which had arisen in the world.

Sri M. Ananthasayanam Ayyangar: You are the hench-woman of the Government.

Miss Maniben Kara: The support which was given to the war was *whole-hearted* and purposeful. It was a bold and scientific step which was taken by the Radical Democratic Party of which I am proud to be a member.

Prof. N. G. Ranga: That is why you are here.

Miss Maniben Kara: I am not going to be disturbed by these interruptions. I am glad that the attitude which was adopted by a young and small party in support of this war stands vindicated.

Sri M. Ananthasayanam Ayyangar: With Rs. 30,000!

Miss Maniben Kara: What about monies received by Harijan Fund, the Planning Committee etc. from various governments? Let us not start that controversy here because I have lots of things which I can say on the point. Today every party come forward and wants to have a share in the victory of the United Nations and the defeat of the Axis Powers. All the political parties, who opposed the war in those days are very anxious to reap the fruits of victory after the war is over. These people have overnight turned against the Japanese and are today rejoicing in the victory of the allied powers.

Sri M. Ananthasayanam Ayyangar: You have calumniated us ruthlessly. Disgrace!

Miss Maniben Kara: The so-called rice soldiers of yesterday have become all of a sudden the proud assets of my friends on the other side, and they call them our Army, our Navy and our Air Force. The victory if it has been won, has been won because of the sweat and toil of the working classes, and the peasantry who are in the air force, the army and navy of this country. If any benefit as the result of this war can be claimed by any party, it should be that party alone which can claim to represent these people. In spite of the opposition of the National Congress, these are the people who fought the war and have won the war and have destroyed Fascism and they have prevented this country from going under the clutches of Japan.

Now, let us turn to the accumulation of the sterling balances. Who are claiming the sterling balances? Who owns them? The owners are not the people who opposed the war yesterday. The owners of the sterling balances are not the handful of industrialists of this country. The owners of the sterling balances are the poorer sections of the people who fought this war and on account of whom the war was won. The sterling balances should be utilised for the development of state-owned key industries. The sterling balances will have to be utilised for the development of agriculture. They will have to be utilised for relieving the burden of indebtedness on the peasantry. They will have to be utilised for developing and undertaking public works. These are the things for which the sterling balances can be legitimately utilised. The sterling balances are the property of the people of this country and I expect that the Finance Member will have something to give to the people who have helped him to win this war.

Now coming to the Finance Bill itself, I am sorry to say that it is a very disappointing affair. I am not one of those persons who believes that there should be no taxation. I believe in taxation and more taxation. Without taxation it is not possible to run the state in the interests of the people. Taxation there will have to be but the Government will have to be run in such a way as will ensure the prosperity and progress of the country. The present Government, Sir, up till now has been functioning not in the spirit of serving the people but in the spirit of policing the State. The days of policing are over. The Government have to act as if they were there to serve the cause of the people.

In order to do all these things, we shall have to have our revenues expanded. Because as I said before, so long as our country is living in a state of semi-starvation, so long as there is no purchasing power in the country, I cannot visualise how there will be industrialisation. I cannot imagine how the people can think of the industrialisation of this country when 90 per cent. of our population is perpetually living under semi-starvation conditions. Unless there is an internal market there can be no development of industry as the Finance Member visualises and there will not be any possibility of creating an internal market so long as the present economic and social structure remains the same. Under the present feudal system which exists in this country, is there any possibility of expanding industries. The countries that can be industrialised must first create a home market and in order to create a home market, you will have to lift the peasantry out of the out-moded structure of society where they are living under age old oppression. They are heavily indebted and have to work under primitive conditions. Unless our people are freed from such conditions, it is not a practical

proposition to talk of industrialisation. These things will have to be done first and when I view the Finance Bill from this point of view I cannot help feeling that it has no underlying principles which will show any ray of hope to the starving millions.

I was very happy yesterday to listen to my friend in the European Group drawing the attention of the Finance Member to the coming famine and he has made certain valuable suggestions. But let me draw the attention of the Finance Member to the fact that it is not a matter of famine today or a famine tomorrow. India is perpetually underfed. Indians have always been a semi-starved people and so long as the Budget shows no underlying idea of helping these semi-starved people I as a representative of the common man of the country cannot support a budget of this kind. The Finance Member instead of showing any concern or sympathy for the conditions in which our Indian people are existing today, conditions of semi-human existence, nay sub-human existence, has shown great concern for the rich and has offered his helping hand to them by proposing the abolition of the Excess Profits Tax. I welcome the speech of my Honourable friend, Diwan Chaman Lall, who also thought that the abolition of the excess profits tax was not justified, that the money realised through the tax could be utilised for the betterment of the common man of the country. I take it that when views are expressed on the floor of this House by responsible members of the Congress Party, they are the views of the Party as a whole, and that the Congress Party is against the abolition of the Excess Profits Tax.

Prof. N. G. Ranga: That is the view of the Congress Party.

Miss Maniben Kara: I am very glad to get that assurance. If that is so, I would request the Honourable the Finance Member to take notice of the views expressed in this House and amend his Bill accordingly. At a time when the country was facing the danger of aggression from outside and starvation and hunger inside, these are the very classes who minted money at the cost of the poorer sections of society. These are the people who in any other country would have been treated as thieves, *thugs* and dacoits. They would have been imprisoned but in this country the Finance Member has extended a helping hand to them.

Sri M. Ananthasayanam Ayyangar: He is dallying with them.

Miss Maniben Kara: When I stop to think why such a thing should have happened, why such a concern has been shown by the Honourable the Finance Member for such anti-social elements in society, who to my mind should be regarded as *thugs* and dacoits and enemies of the country, it seems to me that he is hoping that if these people are relieved of the Excess Profits Tax, perhaps they would develop industries, they would undertake public works which would eventually result in giving employment to people and raise their standard of living. I am sorry that the Honourable the Finance Member has not yet learnt a lesson from the war, if he still feels that there is a possibility of private enterprise being in a position to raise the standard of living of the people. I am sorry for him if he thinks so, even in these days when the capitalist system in all the countries has not only failed but led to a devastating war. Yet in spite of that if the Honourable the Finance Member wants to pin his hope on a handful of industrialists in the belief that if they are relieved of the Excess Profits Tax, perhaps they would develop their privately owned industries thus solving the problem of unemployment and raising the standard of life of the people I have no words to express what I think of the Honourable Member's credulity.

If as a result of the present Finance Bill the country has to face unemployment and famine, let me sound a note of warning that the present Government will have to be blamed for it. They will have to take the responsibility, if as a result of this Bill there is greater unemployment, starvation, death and disease in the country. The charge will be at the doors of the Government of the country. Does he not realise that in the present structure of society it is impossible, even with the best will on the part of the industrialists of this country, as long as the

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industries are in the hands of a few people, that the standard of living of the people can ever be raised?

Mr. Chairman: The Honourable Member's time is up.

The Honourable Sir Archibald Rowlands: I will give five minutes of my time.

Miss Maniben Kara: Apart from death and estate duties other measures should have been taken for the benefit of the people. My friend Dr. Ziauddin Ahmad has given the vast sums accumulated by a few people during the war a proper name—Rupee Balances. May I ask why the rupee balances should not be made available for public purposes through appropriate taxation?

Mr. Chairman: The Honourable Member can have three minutes more.

Mr. Abdur Rahman Siddiqi (Calcutta and Suburbs: Muhammadan Urban): I think the Honourable the President said that ordinary members could have anything between 20 to 30 minutes

Several Honourable Members: Only 20 minutes.

Mr. Abdur Rahman Siddiqi: Therefore I submit that our Honourable sister should be allowed to go on.

Miss Maniben Kara: I regret that the Honourable the Finance Member has adopted a very timid policy: instead of boldly taxing the richer sections of society, he has pinned his faith on them. In other words, he is trying to hand over, tied hand and foot, the Indian masses to the mercies of the upper classes. There are vast possibilities for development in our country in men and material. If this country is left in chaos and starvation by the present Government, it will not be because we are lacking in resources, in men and material, it will be simply because the Government lacked the courage to adopt a bold policy to reconstruct the entire society.

Lastly, I must say that in this bill I find the shadow of coming events.

The British Cabinet Mission is coming here for a political settlement. All the indications show that the reality of power will be in the hands of the few. People talk of freedom and of independence. But it will merely be a replacement of the white by the brown. We will have in this country the rule of the Indian upper classes in place of the rule of the British imperialism. I cannot feel enthusiastic about a political settlement of this nature, because to me
 3 P. M. that will not mean any improvement—it will only mean a continuation of slavery though under different masters; and change of masters does not mean, to me, freedom. But that does not mean that I am in the least enthusiastic about the present government, because I feel that the present Government, has acted as policemen and as tax-gatherers for the upper classes. They have not acted in any other capacity—they have acted as mere tools in the hands of the upper classes of this country; and I am afraid that the same will continue if my friends on the opposite benches move a little closer this side and occupy the treasury benches, which my friends on the treasury benches are now very anxious to quit. An understanding has been reached between the present occupiers and the would-be occupiers. That is why during the discussion on the budget, even though I was not here, from what I could follow from the press reports, I felt that there was nothing but great appreciation for the Honourable the Finance Member and I am surprised that now the tone of the speeches has changed. The reason to me is ver-

clear, because orders have come from the high command, the working committee of the Congress

Mr. Chairman: The Honourable Speaker had better finish her speech now.

Miss Maniben Kara: That being the case, the Congress may throw out the Bill as a political stunt. I have no sympathy with the Bill because I have my fundamental differences with the underlying policies of the Bill. I should have expected from the Honourable the Finance Member that the first peace time budget should have been framed with the object of pooling the entire resources of the country in the public treasury and utilising them for the betterment of the common man of this country.

Sri N. Narayanamurthi (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural): Mr. Chairman, encomiums have been showered on the Finance Member—encomium after encomium—for what is styled by interested people to be a departure from the old rut of budget making. He is credited for his skill and forensic abilities, for having made a departure from the old methods and for presenting what is thus advertised to be a liberal and sympathetic budget. But so far as our party is concerned, we have never joined in that encomium. From the very beginning, even from the day on which the budget was presented, our party has made it absolutely clear that the budget has given nothing for the poor man. If there is any party or established organisation in the whole of this country, which can take care of the interests of the common man, it is the Indian National Congress, and no other like it. Other mushroom parties and organisations cannot claim to be better guardians and better protectors of the rights and interests of the common man than the Indian National Congress itself which has got a glorious record of sixty years' fight for the people of this country, irrespective of class, caste or any other distinction among the people of this country. The independence for which the Indian National Congress is and has been fighting all along is for every man, every woman and every child and every class of people in this country. The Congress has all along proclaimed its ideal as to safeguard the interests and liberties of the entire nation, and not of any section of it. So either the Honourable lady member who has just spoken before me, or any other section of the House need not have any fear or doubt whatsoever that in the transitional stage, in case of any transference of power by amicable settlement, if by God's grace anything turns up and the interests of the country are placed in the hands of the Congress, I can assure every section, not only of this House, but every political party, and every man born in India and claiming this with any patriotism as his motherland, that the Congress will be the organisation that will make and work for the establishment of a cent per cent Swaraj for the people

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa: Muhammadan): May I ask the Honourable Member what did the Congress ministries do in their own time? Have you got any record of that?

Sri N. Narayanamurthi: Coming to the Finance Bill, the Finance Member himself claims his budget to be a mark-time budget. Now, Sir, it is not a mark-time budget that the country expects of him at this stage. Immediately after the termination of one of the greatest world wars, India has a right to expect a peace time budget, a peace time budget of far reaching statesmanship and constructive proposals and plans for the emancipation of this country. Nothing of the kind is given in the budget. I do not doubt even for a moment the forensic abilities of the Finance Member. I do not grudge him the compliments that are being paid; but I refuse to join in them because he has not done anything for the common man, for the poor man, as has been pointed out by all the previous speakers that have spoken already on this subject.

The Hon'ble The Finance Member claims and perhaps expects cheap popularity by the abolition of the excess profits tax. That was not asked for by us; and just now the Honourable Lady member, speaking before me, has been asking what the attitude of the Congress is towards this. The Congress never asked for the protection of vested interests. Congress on the other hand

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has got its own definite views on these and other matters, relating to taxation. The Congress has never asked for the complete abolition of the Excess Profits Tax. On the other hand the Congress has all along been pressing for the utilisation of every pie available in the finances of the Government for the betterment of the country and the entire nation. If the Honourable the Finance Member is bidding for cheap popularity, it is because he is aware of the fact that his budget is only to mark time and that he will have no responsibility to shoulder in the near future. We are aware of the fact that even in England the excess profits tax has not been completely abolished. As has been said by several of the previous speakers, it would have been much better if he had planned directly a big nation-building programme and had utilised these monies for the benefit of the common man. But we cannot blame the Finance Member alone for this, because if the various Departments of the Government had their own definite programmes and plans for postwar reconstruction and had they pressed for the necessary money, perhaps the whole shape of the present budget would have been different. But we know how the present Government Departments are working. In England if they have conserved 50 per cent of the excess profits tax, it is because England is a self-governing country which knows its own postwar requirements and has got its own post-war plans. But here we are governed by a government which neither knows the country nor even its own mind. Take, for example, the case of the Information and Broadcasting Department, which has suffered a very drastic cut at our hands. We have cut the supplies to the extent of 93 lakhs. Does it mean that the entire body of elected members of this House who have voted for it do not know the importance and the imperative urgency of information and the need for a real kind of national propaganda. Not at all. The cut was intended to destroy the present cobweb of corruption, nepotism and jobbery that was going on in the name of Information and Broadcasting. We know how to organise our own department of information when the time for it comes. We shall have our own publicity and information departments both in the provinces as well as in the Centre. My point is this. If these departments had their own constructive plans for nation-building and if they had come forward with their definite plans for progress and expansion, that cut would not have taken place.

Take again the instance of the refusal of the rail-road co-ordination plan. We are not opposed to the principle of the nationalisation of transport. In fact, the scheme that was brought and placed before us was not a real nationalisation of transport project. For that matter, they wanted to kill bus competition and get more money for the railways at the cost of the poor bus owners. If there had been a real nationalisation of transport and if the Government had come forward with a full fledged nationalisation programme, the Congress and every other progressive party in the country would have been the first to support it. For instance, along with the nationalisation of transport or "rail road co-ordination" as they called it, if the Government had brought forward a definite plan for a national automobile industry, the whole nation would have been glad. There are very many key industries which the Government themselves ought to take up in a post war period like this. They could have raised a huge loan if necessary. Did they not raise huge loans when they required money during war time. Just like that, if they had raised a huge loan the whole nation would have responded as gloriously as it has responded on previous occasions. The main charge against the Government is that it does not know its own mind. It has not got any comprehensive or clear cut or definite plans of nation building and that point has already been emphasized.

I was just now speaking of the drastic cut which we carried in the case of the Information and Arts Department. Simply because we passed the Broadcasting Department without any special cut, it should not be taken that we are satisfied with the working of the Broadcasting Department. We have a

great deal to say against the working of the Broadcasting Department. It has not brought forward any definite proposals for expansion even though it is now nearly 7 or 8 years since the A. I. R. and other broadcasting institutions and the department was started in this country. Even all the provincial capitals are not as yet equipped with broadcasting stations. There is the case of Patna about which the other day the Honourable Member was being asked a question. The Provincial headquarters of Orissa, Cuttack or other provincial centres like Nagpur and Karachi have not got any broadcasting stations. As far back as 1936 or 1937 experts went and inspected and approved a spot at Rajahmundry in the Andhra Desa but none of these projects have materialised, even though 8 years have now elapsed.

[At this stage, Mr. Chairman (Syed Ghulam Bhik Nairang) vacated the Chair which was then occupied by Mr. Deputy President (Sir Muhammad Yamin Khan)].

Take again the question of encouraging the manufacture of receiving sets and supplying cheap radio sets to the people. There is nothing of such expansion in these budget proposals.

Let alone industrial planning even so far as political planning is concerned, the present budget does not forecast any good to this country. For instance, take the question of the reorganisation of the Provinces of India on a linguistic basis. This is a question at least 35 years old. The Andhra movement and several other movements such as the demand for the unification of the Karnataka have been on the anvil for over 40 years. Several Resolutions have been passed favouring that proposal. In the pre-Montagu Imperial Legislative Council also a Resolution was passed accepting the principle. The Montagu Report accepted the principle and subsequently the Madras Legislative Assembly passed a Resolution and very recently the Council of State also passed a Resolution agreeing to the principle of reorganisation of the entire provinces of India, on a linguistic basis. The Indian National Congress has accepted the principle in effect and yet the Government does not seem to be aware of the concensus of opinion. The revision of the boundaries may be primarily a matter of the provinces concerned according to the present constitution but the general question of appointing a Boundary Commission for the whole of India and the reorganisation of the whole country on the language basis is essentially an all-India matter. The Government should have taken up the consideration of this question long ago. These reforms are long overdue and would have been taken in hand long ago if there had been a national government in existence in this country. Let me say in this connection that the demand for a separate Andhra Province or a Karnataka province is not based on any separatist or clannish or communal cry. The demand is based on the fundamental principle that if the Government of the country is to be a real Government of the people by the people for the people, then it should be in the hands of the people themselves. It is on this ground that we have been agitating so that we may be in a position to safeguard the interests of the common man. If there were linguistic provinces, and if the actual cultivators and the actual workers of the country had been able to participate in the administration of their own province, irrigation projects and things like that would not have been neglected in the manner in which they are being neglected by the present Government. In the present budget even with regard to irrigation schemes and hydro-electric projects much attention does not seem to have been paid. Being on the Standing Committee for Labour, I know that the Government of India this year are going to carry out four major projects of which the Mahanadi Project in which I am directly interested as coming for Orissa is one. As a matter of fact after a delay of about 20 years this is being undertaken. I know there are three other major projects, the 'Damodar Project,' the 'Sone Project and a fourth project somewhere on the Indus. All these are long overdue ones which are being taken up now. There are very many of this nature which the Government should immediately undertake in all the provinces. Some of them may be primarily matters for the Provincial Governments to take up but the lead in matters of this kind must come from the Central Government especially

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in view of the grave food crisis facing the country, as well as in the interests of the agricultural development for which the Government have to start an All-India campaign. The sooner therefore the Government takes up these projects and carries them out, the better.

Let alone the nationalisation of industries. Take the question of the encouragement of private enterprise. The Honourable the Finance Member claims some credit for the abolition of the duty on raw material imports and machinery. But it may be noted that the Government is going to get more customs revenue from manufactured goods to be imported in the current year than during the war-period. What does it mean? It only means that they are going to dump this country with manufactured goods from other countries. Nothing has been done to develop our local industries. Unless that is done on an all India scale, with regard to nationalisation of industries as well as by way of encouragement of cottage industries in rural areas, nothing tangible can be effected in the economy of this country. Mere exemption of duty on imported raw materials will not help matters, even in this matter a great injustice has been done to the Film Industry of India. They propose to tax the entire quantity of raw film required on a linear foot basis at the rate of half anna per foot. Like the raw stock for any other industry, raw film is the raw product required for the film industry, which has a rightful claim for protection and encouragement at the hands of the government. As far back as 1928, there was a Cinematograph Committee under the Chairmanship of the late Dewan Bahadur T. Rangachariar. Which enquired into and recognised that raw film is as much raw material as any other and that Government should exempt it wholly from import duty. Even though 18 years have lapsed ever since and even though also subsequently in 1932 the same question was discussed on the floor of the House—on the motion of Mr. Jadhav and the then Commerce Member Sir Joseph Bhole promised sympathetic consideration nothing was done and now instead of giving protection they are going to levy a tax of six pies per foot in the shape of import duty. This is a great hardship. I shall deal with this in detail when the House considers the Bill clause by clause.

Now, Sir, a word with regard to food problem. I need not speak at length as it has already been covered by the previous speakers on the subject. In an emergency like this, as was pointed out by my Honourable friend Mr. Lawson yesterday the food problem should not be left to be the concern of only one Department of the Government. The entire Government machinery should be set in motion and the Government should take extraordinary measures for encouraging agricultural production of the country as well as supply of food stuffs, distribution and procurement and everything connected with it. In that respect also there is no definite plan or programme envisaged or provided for in this budget. Of course the present Government is only biding its time. It is in a transitional stage. That is why the Honourable Finance Member does not seem to have made any provision for an all-round and comprehensive programme of reconstruction and therefore the present budget is wholly disappointing.

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Sir, I do not want to comment on the taxation policy of Government, as I have already said what I felt about the budget proposals in my speech on the general discussion. I would confine my remarks on the present occasion to a particular Department, the Civil Supplies and Industries which has been concerned with the supply of the necessities of life only second to food. On 10th March 1945, speaking on the Cut Motion in this House I made my point of view very clear in the matter of marking of prices by this Department. It really remains a mystery to the common man as no body can understand the method and process of marking of prices on the cloth by this Department. We find that *latha* of inferior qualities are marked at higher rates compared to *latha* of superior quality. I understand this is probably due to the fact that a fixed rate of profit is allowed to all the mills and because certain mills have particular proficiency in producing certain kind of cloth, say, for instance, *latha*

these mills can produce at fourteen annas a yard, whereas for others it costs nearly Rs. 1-2-0 a yard. This price reflects on the marking of prices ex-mill and retailed rates. As the element of competition has been taken away from these mills because of the Government rates being marked on them, I would only point out that this matter should be fully investigated into. This is what I said when speaking last year but I do not think the Department has done anything so far in their connection. The only concrete suggestion in this respect is that those mills which are efficient in producing a particular kind of cloth like *latha*, muslin, shirtings and so on, they should be asked to concentrate on the production of that particular quality and variety which they can produce at a cheaper rate and with better skill. To make myself more clear, I would say this that supposing a certain mill can produce *latha* at the cost of Rs. 0-14-0 a yard which is finer and of better quality than the other mills which can only produce at the cost of one rupee, then that particular mill which has its costing at 14 As. per yd. should be asked to concentrate on the production of that one type of cloth, that is *latha*. Other mills in the same way should be surveyed to see which other kind of cloth each can produce best in quality and cheaper in price. This is a concrete suggestion which I want to offer to the Department if they would care to pay heed to this. If they insist on flouting suggestion in this House, we can not help it in the present circumstances.

Now, I come to the position of Muslim traders. I am sorry the Honourable Mr. Waugh is not present here. I would like to refer him to his letter to me during last February in which he said that out of 316 licences issued, for the sale of woollen cloth, only 50 licences were issued to Muslims by his Department for the distribution of woollen cloth all over India. In his reply today to a question of mine, he said that in Delhi nearly 14 lakhs of yards are being sold as unrationed cloth out of which the share given to Muslims traders is nearly 2 lakhs 25 thousand yards. You will notice that the share of the Muslims is only 15 per cent. The figures for other provinces are not available to me, and the Civil Supplies Department has not been able to give same on the plea that the distribution was a provincial subject. I know Mr. Deputy President from my experience of Bihar Province that the condition of Muslim traders there is bad enough and in other provinces like U. P. the condition is also no better as my friend the Raja Saheb of Mahmoodabad tells me. Probably the position is that the share of Muslim merchants in the matter of supply of both rationed and unrationed cloth remains at 15 per cent. or less for which licenses have been issued up till now. As a specific question was put on the distribution in Delhi a concrete reply was given in regard to Delhi and I would particularly refer this as a specimen. The Honourable Member of Government in his reply said that the question of the miserable plight of Delhi Muslim traders was not brought to the notice of the Government till so late as 2nd March 1946. Probably he refers to the letter which I wrote to him on this issue saying that only Rs. 22-4-0 per month was the earning of this Muslim merchants to whom this unrationed cloth has been given for distribution so far in Delhi.

I would now refer to the correspondence which my Deputy Leader Nawabzada Liaqat Ali Khan began with this Department and with the Chief Commissioner of Delhi as early as in June 1945. This correspondence was followed up by the correspondence I had with them in July, August and September. I saw the Chief Commissioner in this connection, and an assurance was given to me that the Muslim quota will be given due consideration. I have been insisting on 50 per cent quota to Muslim merchants which according to principle of population in Delhi was absolutely necessary but in actual practice, this percentage was only worked up to fifteen per cent. in the matter of un-rationed cloth for muslim cloth merchants. It is still in the region of prejudices. We notice that in the matter of un-rationed cloth, in spite of many statement that has been published, in spite of protest meetings held by the Muslims citizen of Delhi during last ten months, the share of the Muslims cloth merchant has only remained at less than 15 per cent. Still the Department claims to be ignorant of the subject which we have taken up so long. This is a position

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which requires very careful consideration. I refer to the position of the Muslim cloth merchants because although statements were issued and *Dawn* and many other Urdu dailies and weeklies were writing articles day in and day out, the plight of Muslims cloth traders continue to be miserable and we have not been able to improve things with all these efforts. That was because the men in charge in the Department were working with religious prejudices in their minds and attempts were made to keep everything in secret pool. I wrote a letter to Mr. Ramadhyan, the Director of Civil Supplies, Delhi, on the 19th February last and asked for certain information and detailed figures regarding the distribution of unrationed cloth to Muslims and non-Muslims Traders. His reply was evasive and ambiguous. He replied:

— "Correspondence is not likely to allay your apprehensions. I am requesting Mr. Yar Khan to take an early opportunity of meeting and explaining your apprehensions."

He was shelving the position and not replying to my issues raised. He replied in 3 lines to my letter of nearly 150 lines. The reply given in the House today reveals the position to be even worse than what I suspected. That is how the Department has been behaving towards the Muslim cloth traders. Mr. Ramadhyan's representative promised in his letter never met me at all.

Sir, I will not refer to the question of Muslim proportion in services because this has been ably dealt with by other Honourable Members of my party few days ago. I will only say with reference to the Finance Bill that although I do not know what the decision of my party will be, yet I certainly feel that, this is a rich man's budget and nothing has been done for the common man in this country. Unless some relief is given to the common man it is difficult to convince people that the Finance Member has shown any appreciation of the needs of this country. In this connection I feel that the duties on kerosene, salt, betel-nuts and such other things should be reduced to an extent that it may make an appreciable difference in the poor man's household. The post-card, for instance, may be made cheaper so as to give the poor man some relief. Every one writes at least 12 or 15 letters a year, and a saving of even four annas to a poor man would make a good deal of difference. I do not propose to give concrete suggestions here, as this may be done by my Leader or Deputy Leader later in the week.

With regard to our sterling balances I have already spoken at length during General discussion and will not deal with them any further at this stage. Sir, I have done.

Rai Bahadur Devendra Mohan Bhattacharya (Nominated Non-official): Sir, I could not take part in the general discussion on the budget. Hence my first words today shall be words of congratulations to the Honourable the Finance Member on his new approach to the solution of the difficult problems of India's finance during this difficult period of transition. I believe, Sir, you will agree with me if I say that the office of Finance Member has never been a soft job and often proved to be the grave of many reputations; but Sir Archibald Rowlands who assumed office only a year ago has chalked out a programme for India with commendable boldness and imagination indicating the shape of things to come in a regime under her natural leaders to which we are all looking forward.

I think, Sir, I would be guilty of no inconsistency if I begin by saying that the Finance Member has given a new orientation to the Indian fiscal policy having an eye to India's good only. Expansion of India's industry is one of the foremost planks in any scheme of peace-time rehabilitation and the abolition of the Excess Profits Tax is sure to give a fillip to the much needed industrial regeneration of India. This development of industry, if carried out, will not only make India self-sufficient so far as her daily needs are concerned but will absorb a good many people discharged from war-time services and will thereby help to solve the problem of unemployment that looms so large today.

Sir, men of moderate means find relief in the reduction of the rate of income-tax and the poor is benefited by reduction in the duty on kerosene.

As one hailing from Bengal I am thankful to the Honourable Finance Member for subvention of eight crores of rupees to Bengal to enable her to tide over her difficulties. But it is rather disappointing, Sir, that the Finance Member who has a soft corner for all has forgotten the case of a section of unfortunate people who derive their income from forests. They have been practically ignored and no relief has been extended to them. I speak from my experience in Bengal that the forest-owning people have made very valuable contributions to the economic, social and cultural development of Bengal, but they seem to have fallen on evil days. The Provincial Government of Bengal has initiated the agricultural income-tax on income derived from forests and the Indian Income-tax Department has recently discovered that the income from forests, although grown according to the usual processes of agriculture, is liable to taxation under the Indian Income-tax Act, and the result is that this income is being subjected to double taxation, once by the Provincial Government and again by the Central Government. May I tell the Honourable Sir Archibald Rowlands, who modestly describes himself as a tax-gatherer-in-chief, that his followers in the lower ranks of the Department are anxious to go ahead of their chief and in their over-zealousness they want to prove themselves perhaps more loyal than the king himself. I may submit, Sir, that if forests are subjected to high rates of taxation of the Indian Income-tax Department, it would spell disaster for their future growth leading to their ultimate extinction. The forest owners will find no interest to look after the forests only for the benefit of the Government and the condition of forests will naturally deteriorate and no one need be surprised if forest areas are ultimately converted to arable lands or waste lands. The process of deforestation which has already commenced in fear of this high rate of taxation will have a baneful effect on the country's rainfall and will be a contributing factor in causing drought and thereby loss of agricultural produce. If the Government feels keen on the preservation of forests in the general well-being of the country, I think, Sir, it should come to the rescue of the forest owners by treating income derived from forests as purely agricultural and not to make this income liable to taxation under the Indian Income-tax Act.

Sir, I would like to say a few words more not in a spirit of criticism but a statement of genuine grievances which I hope the Honourable the Finance Member would kindly look into and see that the grievances are remedied.

Sir, lands, forests and houses were requisitioned by the Government during war for war purposes and the people did not object to it as all works relating to war should have first priority. At the time of requisition, Sir, District Officers assured the people that their claims for compensation would be sympathetically considered and that compensation would be paid at rates which would satisfy all concerned and actually, Sir, in cases in which compensation had been paid during the war, the rates of compensation were very fair and equitable. But at present, Sir, attempts are being made to pay as little as possible. Compensation is now probably being calculated at pre-war rates, although the prices of land and forests have now gone up by more than four or five times the pre-war rates. I know, Sir, one landlord whose forests measuring about 300 acres were requisitioned for construction of Airfields. Trees were cut down and uprooted, thus making the growth of forest in future impossible. The Land Acquisition Officer at the time prepared the schedule of compensation to be paid to him and he came to know unofficially that his compensation money would be about three lakhs of rupees. The amount, however, was not paid during the war on some pretext or other. But now the war having been over, the gentleman has been officially informed recently by a new Land Acquisition Officer that his total compensation money would come up to about a lakh and a quarter only. This difference in rates for payment of

compensation money cannot be justified on any ground whatsoever and I find no reason why owners should not be paid at increased rates which prevail at the present moment, however high they may be.

Then, Sir, these people are faced with another difficulty. The Income-tax Officers are hovering round about these gentlemen and they will jump upon them and swallow a major portion of the compensation when the money will be actually paid. I know one gentleman, Sir, who will have to pay more than 80 per cent. of his compensation money to the Income-tax Department, and he will have very little left with him to make up the loss he has suffered from. This is really a great hardship and I would request the Honourable the Finance Member to see if he can make this kind of compensation money—money paid by way of compensation for properties requisitioned during war—income-tax free.

Sir, I would refer to one thing more and then I will finish. I find, Sir, that the rate of income-tax on unearned income is higher. I know many owners of unearned income who are very generous and make large annual donations which lead to the growth and foundation of many useful institutions in this land of ours from time to time. To bring some relief to this section of tax-payers, may I request the Honourable the Finance Member to see if he can find his way to place the amount of the unearned income donated for *bona fide* charitable purposes beyond the purview of the Indian Income-tax Act. I believe, Sir, this concession, if agreed to, will encourage the owners of unearned income to donate more in future for institutions which depend largely on public charity.

With these words, Sir, I support the Finance Bill.

Mr. P. B. Gole (Berar: Non-Muhammadan): Mr. Deputy President. I rise to oppose the passing of the Finance Bill moved by the Honourable the Finance Member.

Before I come to the actual provisions of the Finance Bill, I would like to make a few remarks regarding last year's conditions. The year 1945-46 can be said to be a memorable year from several points of view. The greatest war in the annals of history came to an end perhaps by the use of Atomic bomb; we do not know whether it could have ended otherwise. But it ushered in new problems and to use the words of the Honourable the Finance Member himself, it has created new enemies in the form of poverty, ill-health, squalor and other things, and we are asked to fight these. The Honourable the Finance Member said that he was going to quit office and the new incumbents will have to find ways and means to fight these enemies. He has shown the way in which this could be done and some provisions could be found in the Finance Bill by which these enemies could be fought.

I have tried to look at the Finance Bill from the test which the Finance Member himself has laid before us, and from his point of view if I were to look at this Bill then I may say that beyond reducing some tax on kerosene and beyond certain promises which in reply the Honourable the Finance Member gave regarding reduction in other taxes or indirect taxes, I have not been able to find in the Finance Bill any provision which will at least prepare the nation for fighting the enemies.

During this war there were several Commissions and several Committees held by the United Nations. We have got the U.N.R.R.A., we have got the U.N.O., we have got the Philadelphia Charter, and several others have been devised in order to make this world safe for peace as well as for happiness. And from this point of view the position of India so far as these UNRRAs, UNOs and conferences are concerned, although India had been a party to these, I do not find that India has been recognized anywhere in any of these Conferences and Commissions. I draw the attention of the Honourable the Finance Member to what is called the Philadelphia Charter. There

the motto that was laid: "Poverty anywhere constitutes a danger to prosperity everywhere." is a trite saying which will hold good everywhere. Therefore, if India is poor, and for the matter of that the poorest, of all the countries in the world, then this will constitute a danger to the peace of the world. That is an accepted saying, and in order to fight this there are certain aims which were laid before the Philadelphia conference. Seven points are mentioned in what is called the Philadelphia Charter and I shall try to examine the Finance Bill by placing before me these aims and objects to be achieved in order to have permanent peace in this world.

"1. Opportunity for useful and regular employment to all persons who want work at fair wages and returns and under reasonable conditions with provisions for the protection of health against injury in all occupations.

2. Raising standards of living to provide adequate nutrition, housing, medical care, health and education."

3. The establishment of a programme of standard of employment to prevent exploitation of workers whether employed or self-employed whose opportunities of higher wage employment are limited.

4. Provision for child welfare.

5. Provision for a regular flow of income for all whose employment is interrupted by sickness or injury, by old-age or lack of employment opportunity.

6. The recognition of the right of freedom of association and collective bargaining.

7. Provision of labour trading."

These are the aims laid down by what is called the Philadelphia Charter and let us examine this Finance Bill in the light of the aims put forward. I suppose India was a party to this Conference and I suppose when these aims are put forward they are equally applicable to India. Let us examine, Sir, from this point of view whether the Finance Bill of the Honourable Member comes up to this standard. In the course of his budget speech, the Finance Member said:

"Nor is it easy to do very much for the poor man in the field of indirect taxation. The main advantage which he will derive from my proposals will be from the schemes economic and social which will be financed by the yield of the taxes contributed by the richer sections of the community."

Excepting the reduction on the duty on kerosene, he leaves everything to be done, so far as relief of the poor is concerned and their uplift economically, to the schemes to be put forth, socially, economically and industrially. I have tried to see whether there is any provision in this Finance Bill for raising the standard of living to provide adequate nutrition, housing, medical care and education. Is there anything in the schemes whereby better nutrition could be given? My view of the whole Finance Bill is that beyond removing the excess profits tax, and perhaps filling the coffers of the already rich people, and giving some relief to the income-tax payer in the form of direct taxation, so far as those persons are concerned who are not able to pay any tax directly (and the majority of Indians are such who cannot afford to pay income-tax or pay indirect tax), the relief to these poor people (and the majority of Indians are poor) is practically nil. Let us see if India is to be left a poor country all its life. It was poor before the war. It has become poorer still. Then this will be a danger for the peace of the world. I need not, Sir, dilate upon this at great length, but I may point out to you, Sir, that today in the "*Hindustan Times*" there is a report from America. There the question of giving a quota of wheat was raised in the United Food Board and Argentine, I am told, refused to give its quota. Mr. Ramamurti, one of the Indian Food Delegates who have gone to America, has issued a statement in America. I will only quote two or three sentences from that statement. Under the headlines ten millions will die and not easily, and with a large map showing the Indian famine areas, the article declares:

[Mr. P. B. Gole]

"In the famine of 1943 in Bengal, it was the poor people, the voiceless people who suffered. Now the people who face death belong to all ranks of the population, vocal and intelligent people. They will not die easily and if the food supplies fail, they will bring down the whole fabric and administration of life in India."

That is what Mr. Ramamurti, one of the Food Delegates who have gone to America has stated publicly and published it in the newspapers. Has it got any effect on this Food Board or upon the U.N.O. conference? Sir Ramaswami Mudaliar is one of the members of this U.N.O. committee. There also the question of food for India was raised. In fact the Food delegation is going with a begging bowl before these nations for food for India and they are receiving very scant courtesy at the hands of the U.N.O. and the Combined Food Board. Why is it so? We know that in winning the war India has played the greatest part. India has supplied men and money, has shed its blood, and India has been bled white and with all this India has been famished and today at this hour, all the food is being concentrated and those persons who are said to have suffered on account of war are being given food. I do not hear, for instance, in the whole world that the Germans are being famished or the Germans are dying of hunger. I do not hear that the Austrians are dying of hunger or the Italians. But I do here that Indians in millions are dying of hunger. Here Mr. Ramamurti says that ten millions of people, if food is not supplied in time, will die of hunger; and with all this United Food Board and the U.N.O. I am still not hopeful. The reason is obvious. These delegates have not the backing of the people. They are not recognised. They are an appendage to the British Government and it is the duty of the British Government really speaking to feed India at this juncture. And what is being done? We are asked to go with a begging bowl to America, to the U.N.O. and to U.N.R.R.A. Only last year India was made to contribute Rs. 8 crores to U.N.R.R.A. and this year also a provision was being made for a contribution of Rs. 4 crores. India has suffered in the war. India is asked to contribute Rs. 4 crores for rehabilitation for countries which have suffered in the war but you cannot get food even for India, not even recognition of food for India, and from this point of view I say, Sir, that really speaking, the Finance Member has not provided us with any means by which, our case can be influenced, nor our power felt, and that is the test really speaking by which we judge the Finance Bill. Therefore, the Congress Party is perfectly justified in throwing out the Finance Bill. When the question of action comes, India is thrown to the corner.

Now coming to certain details, I have got to remark about the way in which this planning is going on. The other day I put certain questions—unfortunately the Member for Supply is not here: But I will try to point out that the Central Provinces Government formed certain cooperative societies of actual manufacturers of brass utensils and it was expected that sheets of brass and copper would be supplied to them. That Government wrote a long letter to the Government of India, Supply Department, asking for the supply of brass sheets and pointed out that really speaking, in view of the control order passed by the Government of India, these brass sheets should be supplied to the actual manufacturers and not to the dealers who make a lot of profit. That was pointed out but that letter was suppressed. These workers went without any work. They could not get the sheets. The merchants got the sheets from the Government of India but they would not part with them. The Registrar co-operative societies sent an urgent wire, a distress wire, if I may say so, to the Supply Department saying that his position had become very awkward, that he encouraged the formation of new societies, that after the formation of these new societies, in pursuance of the orders passed by the Government they were bound to supply Brass sheets to these workers. In spite of that these merchants to whom these sheets had been supplied were suppressing them without giving them to the workers.

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That telegram was not responded to. He sent another urgent wire to the Supply Department, (an I.C.S. gentleman,) and even that remained suppressed. Ultimately he became desparate. I asked the Member for Supplies the other day why it was not replied. He said that it was replied later on. That is also not correct. I know that these merchants themselves sent a circular round asking the other merchants in different Provinces to wait upon the Supply Member. They waited in deputation not on the Supply Member but on the Deputy Secretary and they allocated to themselves all the Brass sheets supplied. When I put to the Supply Member the question why in pursuance of the orders of the Government of India these sheets are not supplied to the actual workers but to the dealers, the answer given by the Honourable Member was that the ordinary trade channels were used. These trade channels have been discouraged by the order of the Government of India. Yet the answer to me was that the normal trade channels were resorted to and these trade channels consisted of middlemen and merchants who made a lot of profit. I have got a number of telegrams and a number of resolutions passed by different cooperative societies complaining that they are not getting Brass sheets at all and that is not the complaint of C. P. and Berar alone, it is a complaint from the U.P. and the Punjab also. I have got instances where Merchants withheld Brass sheets from co-operative workers. Why this discourtesy? You are talking of planning for cottage industries. The Registrar himself wired for it and after so much trouble why this discourtesy to the Registrar of a province? Is this way in which planning of cottage industries is to be encouraged by the Government of India? I heard the other day that actions speak louder than words. Here the actions of the Government are louder than the words of encouragement of cottage industry which they have proclaimed. I would submit that the way in which they are going to plan will remain planning only in name and will never come into action. That is what I am afraid of. My request to the Honourable Member is that he ought to look into this and remove the just grievances of the actual workers.

I would only touch on one more point before I sit down and that is about corruption. The other day I was surprised to hear the Honourable the Home Member saying "You offer bribes and therefore you should not blame the bribe-taker." Perhaps both are blameworthy because bribe is offered by us, he takes it. I do not think that is so. The Honourable Home Member forgets that almost every day during this war time there was a printing press which issued Ordinances after Ordinances. In fact I myself did not know whether I was committing a breach of any ordinance. It was very difficult to keep pace with the ordinances as they were issued one after another and how can the ignorant people be expected to know about them. If anybody commits a breach the law comes down upon him. The officer comes, the man wants to save himself from disgrace or jail and therefore he pays a bribe and thus gets rid of the officer. That is the state of things which everybody knows. The Honourable Member has got a C.I.D. at his disposal. They have all the means to find a political offender wherever he may be but they cannot find out a corrupt official who takes bribes. They have got tribunals which try persons for taking eight annas or five rupees but what about those high placed persons who take bribes of very large sums? I know one or two cases of high officials have been discovered in Bengal but how many persons are there who are highly placed and who are known to be taking bribes. What have you done with them? Judging from this point of view all their planning may mean nothing ultimately. The Finance Member says—and I take his word—that he is going but his action does not show that. Therefore we are justified in throwing out the Finance Bill.

Mr. Madandhari Singh (Bihar and Orissa: Landholders): Sir, at the very outset I congratulate the Honourable the Finance Member for presenting a Budget which has got good reception. I think this is the first budget which contains plans for development.

[Mr. Madandhari Singh]

I welcome the Cabinet Mission that is coming to settle matters relating to our independence. I hope all the parties will join together to attain the independence of the country.

Before I discuss the Budget I would like to appeal to the Finance Member regarding my Province, Behar. We get a very small quota from income-tax, revenue, whereas actually we should have a larger amount than what we are getting today. In Chota Nagpur Division there are large factories working but the companies are registered either in Bengal or in Bombay. Take the instance of Tatas at Jamshedpur. The company is registered in Bombay, whereas it is actually functioning in the Chota Nagpur Division. The income of the company ought to be assessed in Behar but it is done in Bombay. It may be all right so far as the Central is concerned but as far as our province is concerned we are getting much less than what we should under this item. So I would request the Honourable Finance Member to amend the Income-tax Act so that an income may be assessed in the place where it arises. The other thing I want to mention is about the policy of the All-India Radio regarding Hindi. At this time, I would like to assure my Muslim friends that I am not against Urdu—I like very much the ghazal songs. I only want that a fair and due place should be given to Hindi. Hindi is the language of almost the whole of north India: Hindi is the language which is spoken by the majority of the population residing in this country; and I think Hindi should be given its proper place and I appeal to the Honourable Member for Broadcasting to give full consideration to this point, that Hindi should get its proper place in the All-India Radio.

Again, Sir, we are having future planning in this budget. India is an agricultural country and the majority of the people are residing in the villages; and in my opinion the villages should get the first preference. The villages should all be connected by roads and there should be a net work of railway lines; there should be hospitals and public health centres in rural areas so that people can take advantage of these things. If we are to raise the standard of living of the people, we must do it so as to raise the standard of the people in the rural areas. All of us should try to ameliorate the condition of the people in the rural areas and give them all kinds of help—educational or medical and all the facilities for communications. I appeal to the House and especially to the members on the treasury benches to take up this part of planning at once and get the lot of the villagers improved.

One other matter also I would like to put before you—the problem of beggars. This is a very bad type of problem. There are three kinds of beggars. As regards the first kind, I would call them professional beggars, I think the Labour Department should take action at once and they should be forced to work and not to go on begging. The second class are the sick beggars. They should be sent to hospitals or homes where they can be cured. The third class is one about which I would appeal to members on this side and also on that side—they are the beggars who are unfit for work: they cannot work as they are blind or have no hands or have no legs. They should be given shelter. I would appeal to my honourable friends to consider this thing, that they should be provided with shelters.

With these remarks I would like to appeal to the Finance Member to consider the points raised by me.

Seth Govind Das (Central Provinces: Hindi Divisions: Non-Muhammadan): Sir, I also rise to oppose the consideration of the Finance Bill. This motion has been opposed from different points of view, and the grounds on which I oppose it are the conditions of our people abroad.

First of all I shall take South Africa. On the 4th February 1946, when I moved my adjournment motion in this respect the Honourable Secretary for

Commonwealth Relations Department said that he did not know all the provisions of that Bill. But since then the main provisions of this Bill have come out in the press, and I want them to go on the record of this House—what the main provisions of this shameful Bill are:

"The Bill will enable properly designed townships to be established on land assigned by the Parliament for this purpose. Under the Transvaal Law of 1885, Asiatics may only own or occupy land in areas specially set aside for them in already established townships. To enable local authorities and private persons to make adequate provision for the housing of Asiatics in townships yet to be established, the Bill provides for the assignment of land outside the existing townships in which Indians may own and occupy property. The Bill also enables Parliament to assign other areas whether or not intended for townships for occupation by Asiatics. In addition to controlling permanently the acquisition and occupation of land in Transvaal and Natal, the Bill provides for Indian representation in Senate, Assembly and the Natal Provincial Council. Indians will be represented in the Senate by two Europeans one of whom will be elected by Transvaal and Natal Indians and the other nominated by the Governor General. In Assembly, Natal and Transvaal Indians will be represented by three Europeans."

Now, before the provisions of this Bill were published, there was a talk going on both in South Africa and in India that such a Bill was going to be introduced in the Union Parliament, and this is what has been said with respect to this Bill by the South African Indian Congress:

"The proposals of the Prime Minister to deal with the Indian question are totally unacceptable to the Indian community in that they constitute an attack upon human rights and human freedom of an unrepresented substantial minority in South Africa, and they moreover violate the high principles underlying the Atlantic and United Nations Charters on which their authors pin their implicit faith for the future peace of the world."

This charter was drafted by Field Marshal Smuts himself, who has brought this Bill. I know that the economic sanctions on South Africa have been applied—at least notice of the application of these economic sanctions has been given. But let me say that this is a very belated act of the Government of India, and it is not only a belated but a half hearted act. Without recalling the High Commissioner from South Africa, the application of economic sanctions does not mean that we have really broken our connection with that country. My Honourable friend Mr. R. N. Banerjee is there. May I ask him whether he has seen a report in yesterday's evening papers and this morning's papers that the South African Indians, especially the Natal Indians, are going to offer satyagraha. As far as this satyagraha is concerned, the Muslims of Natal will be with the Hindus. There is no question of the communal problem there. Under these circumstances if the High Commissioner is not recalled, will the Honourable Member assure this House that he will be the first satyagrahi in South Africa and will break that law. I cannot understand his remaining there but if he remains there and the satyagraha movement starts there, I would like the High Commissioner for India to offer satyagraha and to be one of the prisoners in the Natal prison. I want to know whether the Government is going to do that? If the Government is not going to do that, let the Government recall Mr. R. M. Deshmukh. He comes from my province, he was once a Congressman and a Congress minister also, I am sure that if instructions are given to him by the Government of India, he would be the first man to court arrest and break this shameful law. If that is not possible, I would again request the Government to see that he is recalled and that our relations with South Africa are broken once for all till this obnoxious law is removed from the statute book.

Now, Sir, I come to the question of East Africa. The question of the Highlands of Kenya is where it was. It is an old question. It is an old grievance and I am surprised that even after this war this question has not been solved. We who fought the Germans in this war and fought them in the last war cannot live on those Highlands but the Germans can. I cannot understand what this means.

Then, Sir, there is the question of the inter-territorial organisation of East Africa. Let me point out that as far as this question is concerned, I feel

[Seth Govind Das]

that is the thin end of the wedge of the plan of Field Marshal Smuts for pan-white association of the whole of East Africa with South Africa. It is said that the Indians in East Africa have supported this plan. I think this is because the representation which is going to be given to Indians in the Legislative Assembly of three territories of East Africa, Kenya, Tanganyika and Uganda will be equal to that of Europeans. I feel that this has tempted them to accept this. So far I have not seen any Resolution of the East African Indian Congress in this respect. I do not know whether the support that is said to have been received in favour of this inter-territorial organisation of East Africa by the Government of India is from the East African Congress or from certain individuals. I would like to see what support but as I have said I am at present opposed to this inter territorial organisation in East Africa. There is one more reason why I am opposed to this. It is that the question of Indians in Tanganyika and Uganda is not so keen as it is in Kenya and Kenya being the most important territory of all these three territories, if Tanganyika and Uganda are put with Kenya, then this white discrimination affair will come in its acute form in Tanganyika and Uganda also. I do not want that the problem which is at present confined to Kenya alone should spread, both in Tanganyika and Uganda.

And then the question of emigration into these territories is still not solved. It is again and again said that restrictions against emigration are going to be removed but they have not been removed so far. When I moved my adjournment motion on East Africa on the 5th February 1946, I said that portfolios have been given to certain non-official Europeans in Kenya. Before this no portfolios were given to any non-official member of the Executive Council of Kenya and this had been done for the first time. May I know what this Government has done so far in this respect. It is now more than a month since the adjournment motion was discussed and I want to know whether non-official Indian members of the Executive Council of Kenya are going to get portfolios or not.

Now, I come to Malaya. This morning I asked certain short notice questions regarding the new legislation about constitutional forms which have been introduced in the House of Commons with respect to Malaya. Mr. Banerjee said that he is seeing that the interests of Indians there are well protected. That has been said by this Government with respect to South Africa, East Africa and with respect to every country where our people are living and we have seen that though these assurances were given their condition deteriorated more and more as time went on. I read this morning from the 'Hindustan Times', what a communist M. P. Mr. Gallachar said about the position of Indians in Malaya. It is going to become as precarious as it has become in South Africa and Kenya if the Government of India is not strong enough and do things in a half hearted manner as it has been doing. I should like to know from Mr. Banerjee whether he is going to take measures with full strength and not with half heartedness and see that the Indian interests are well protected. Even today the condition of Indians there is far from satisfactory. The food problem is there. It is reported that Indian women for want of cloth have to put on gunny bags in Malaya. I think nowhere in the world any human being is putting on gunny bags except in Malaya. (An Honourable Member: In jails also). I mean free people and this report that women have been wearing gunny bags has not been contradicted so far. The Indian National Congress wanted to send a medical mission under Dr. M. R. Cholkar. When Pandit Jawahar Lal Nehru recently flew to Malaya he saw Dr. Cholkar who said that they were ready to go but still the arrangements for their transport had not been made. Now everybody ought to know that these medical missions should get priority over everybody else and if the medical mission does not reach in proper time it is useless even to send it. Then there is the question of cases against

Malayan Indians about collaboration with Japan. We do not know whether any actual collaboration with the Japanese took place or not. But even if there was, the world conditions were quite different at that time. Now the conditions have changed, the allies have become victorious and it is not, in my opinion, magnanimous on the part of the allies or the British Government or the Government of Malaya to proceed with these cases. I wish the Indian Government to represent to the Malayan Government that as far as these cases are concerned they should be withdrawn.

Sir, it is not only about East Africa, South Africa and Malaya that we hear complaints, but with respect to every country at some time on the other we hear that they are not as happy as they should be; and I say that it is on account of the imbecile attitude of the Government of India that our people abroad are in such great misery. That is Sir one ground on which I want to oppose this Finance Bill.

Now, I wish to say something about our internal affairs. The food question has been debated in this House and it is going to be debated again and again so long, as it is not solved. The prime necessity of every living being is food, and if it is repeated again and again, if arguments of the same kind are repeated again and again it should not surprise any one. There is a shortage of food and certain Provinces are called surplus provinces. As far as my Province is concerned, H. E. Sir Henry Twynam the Governor of the C.P. made a recent statement calling my province a surplus province. I know how this statement has been made. I am intimately connected with agriculture in my province and I know how every year these patwaris, Revenue inspectors, tahsildars and naib tahsildars go and get crops from the best fields of a village and make their average estimate according to the crop which they cut from the best fields. On these estimates there is going to be procurement in my province and not only in my province but in other provinces as well. It would be said that so much was the estimate of the crop, so much has been taken from the tenant and so much has been left with him for his food, his seed and for other agricultural expenses. I am afraid that because these estimates would be wrong estimates the grain which would be left with the tenants and the agriculturists would not be enough for these three things, *viz.*, food seed, and agricultural expenses. The first need is always food and the grain which is left with him for sowing purposes and for agricultural purposes will be eaten up; and at the time of the next sowing there will not be enough seed for sowing as well as for agricultural expenses. The result will be that the famine which we find this year in spite of the Grow More Food campaign is going to continue next year and I do not know for how many years to come. And what I feel about my Province I think other Members here must be feeling about their Provinces. So I want to point out that if after all this things are left to popular ministers, they are not going to be responsible for a catastrophe; the whole responsibility for the disaster will be on the present Government. Mahatma Gandhi and the Congress Working Committee were absolutely right when they said that unless and until there is a change in the Central Government there is not going to be any real benefit to the agriculturist and the labourers and the poor people in the country. I feel that as far as the estimates of crops are concerned Government should be very careful.

Then comes the question of cloth because it is the second necessity of human beings. It is said that cloth is exported only to those countries from which we are going to get food materials. I have collected some figures about this export of cloth, and I want to know whether all those countries to which cloth is exported are going to send foodgrains to this country. For instance among these countries I find Aden, Bahrein, Egypt, Italian East Africa, Anglo-Egyptian Sudan, Rhodesia, Belgian Congo, Madagascar, Palestine and many other countries; I have only named those countries where the majority of this cloth goes. From the sea-borne trade reports I could not find that

[Seth Govind Das]

foodgrains have been imported into this country from the countries to which we send our cloth. This is the only argument that is generally advanced in favour of exporting our cloth, and I want to know whether we are going to get foodgrains from those countries to which we export our cloth.

The third necessity is medicine. Practically all parts of the country are affected with malaria and we know that the quinine supply has become very meagre. The Indian Medical Review said in this respect;

"The actual consumption in India according to the Public Health Commissioner has been remarkably steady at about 2 lakhs pounds *per annum* of which approximately 1 lakh and 10 thousand pounds are imported and 90 thousand pounds are produced in India. The present consumption is only a third of the lower estimate of India's requirements and 1-20 of larger estimates."

It is well known that if any one goes to a chemist and wants some quinine pills or quinine powder it is not available. When Sir, this is the condition of the most popular drug it may be taken for granted that India is starving as far as medicines are concerned.

These three are the prime necessities of civilised or uncivilised, whatever sort of life you may call it. As far as our education and sanitation and other nation-building departments are concerned, it is well known that they are starving, but in spite of that the huge military expense is there and the huge civil administration expense is there. The Honourable Finance Member himself admitted that even in England such high salaries are not paid as are paid here. And if there is reduction in taxes it is with regard to the Excess Profits Tax. Sir, I come from the same class, who generally pay this Excess Profits Tax, and I can say that if Excess Profits Tax had not have been abolished, or if, it had been reduced by 50 per cent, the people of my class would have welcomed it. They would have felt that real good has been done by the Honourable the Finance Member by abolishing the other taxes, by reducing the post card rate, by reducing the salt tax, by reducing the excise duty on matches or by reducing so many other things. If the people, of my class do not feel that, then, I, from the floor of this House, say, that this class is going to be ruined and it must be ruined. (Interruption). Sir, I am not an old man, I feel myself quite young, and therefore such vigorous words fall from my lips.

This is what Professor Hill said as regards development of this country:

"If a country is poor and undeveloped, let us spend more on research and not less. Let us aim at giving one per cent of our national budget, one per cent, of the value of our industrial and agricultural production, one per cent. of the loss due to ill-health, one per cent. of the cost of our transport our houses, our water, our coal, even our broadcasting to research and in ten years we shall be getting back not one per cent. but 10, 20 or 200 per cent. in dividends."

Sir, we find that very very little is being done in this respect. His Excellency the Viceroy himself said, 'our great aim must be to plan for economic and social development so as to raise our standard of living and general welfare, we must lift the poor man of India from poverty to security, from ill-health to vigour, from ignorance to understanding and our rate of progress must no longer be at bullock carts standard, but at least at the pace of the handy and serviceable jeep'. Sir, we find that this is not being done. I know that the present Prime Minister Mr. Attlee made a declaration. I know, Sir, that the Cabinet delegation is coming. We have an open mind as far as this Cabinet Mission is concerned, but, Sir, unless something is done, I would regard these declarations as mere platitude. The Honourable the Finance Member said that as far as the British rule in India is concerned, it is going to end 'unhonoured, unwept and unsung.' Such a rule which has been so disastrous to this country, such a rule which made our condition so poor as the condition of people nowhere else is in the world, it will not be surprising if in the words of my Honourable friend the Finance Member this rule ends unwept, unhonoured and unsung.

*Chaudhri Srichand (nominated non-official): Sir, If a member desires to speak in Urdu in the British Parliament or in English in the French House of Deputies he will not, in the first instance, be allowed to speak; if he does he will have to give reasons for his doing so. But, in India everything is different! Today, I had to request to speak in Hindustani in the biggest Assembly of the country. If Englishmen speak in English they have a reasonable plea: They can speak English well. Hindustani members whose mother-tongue is Hindustani can speak and understand that language well. Barring a few, all other members can speak Hindustani well, and yet some fairly-aged members, who cannot speak English well, in their desire to speak that language memorize like school-boys for nights speeches written by others in English. They give trouble to others to write speeches in English for them. When they can speak well in Urdu I don't understand when they try to speak in English standing foppishly in their seats. Why don't they simply speak in Hindustani? Some members whose memory on account of old age has lost its retentive power and cannot learn by rote, read out written speeches. Some of them read incorrectly while others get out of breath when reading and yet speak they must in English no matter how badly they face in their attempt. The reason is that big parties in the Assembly want to keep the villagers uninformed the proceedings of the Assembly by conducting them in English. If at the time of election a villager requests for a ticket; he is summarily deprived of his rights and told that he does not know English so he cannot get the ticket. The town capitalist does not allow the poor villager to become a member of the Assembly. That is the reason why I don't see on the benches before me any labourer, cultivator, *Rajput, Jat, Ahir or Gujar*. There are capitalists and merchants from Peshawar, Lahore, Delhi, Madras, Bombay, Lucknow and Karachi sitting as their representatives. The lessees of India love every thing Indian except its language and its grains.

They are raising a great hue and cry against the All-India Radio in connection with the use of Hindustani. Some say that All-India Radio do not use Hindi; some say that they do not use Urdu prose on the Radio; but when they themselves happen to speak they don't let a single Hindi or Urdu word come to their lips. For years together it has been dinned into my ears that we should wear swadeshi. Every leader is clamouring from the pulpit and through the press that we should use swadeshi things. But, I have never heard a leader say that we should eat swadeshi food. If foreign clothes produce slavish mentality and entail financial loss to the country, does not foreign food produce slavish mentality and drive the cultivators and with them the country to insolvency? A few capitalist cloth mill owners spend lacs of rupees to keep the propaganda going in favour of swadeshi cloths from the pulpit and the press. At one time they went even so far as to effect a boycott of foreign cloths, picketed the foreign cloth shops and burnt their stocks. But, nobody ever gave a thought to the state of cotton-producers as to how they suffered for want of export of their produce and consequent fall in its price.

I have never heard a leader say nor have I ever read in a paper that we should eat swadeshi food. And why should they say or write that! That would compel the town capitalists to buy cereals from the poor farmer at a higher rate. Capitalists give large monetary contributions to the leaders; the cultivators cannot do that. If 'eat swadeshi food' propaganda had been done in time, and the poor cultivators given a fair price for their products India would not have to face the time when Indians have to beg for food from England and America. It has never been attempted to ascertain how much cereals can India manage to yield. If fair prices are offered to the cultivator he can even now give large quantities of cereals besides producing a variety of other eatables. He can sell large quantities of wheat in the bazaar for the rich people. In a very short time he can produce melons, cucumbers, onions and many other vegetables. We are prepared to eat *hajra* and sell wheat to the rich which even now can be had in large quantities. At the present

*The Honourable Member spoke in Urdu.

[Chaudhri Srichand]

control rates the cultivator suffers loss in wheat. If Rs. 12 is spent in the production of wheat and Rs. 10 is realized by selling it, who will go in for its production? No cloth dealer can sell cloth at Re. 1 per yard when his cost price is Rs. 1-8-0 per yard. Such a business cannot last long. Similarly, if Rs. 10 per maund is fixed as the control price for wheat the farmer will have to stop producing it and India will ever have to face a famine.

In the matter of control the authorities, like all other matters, have tried to imitate England giving no thought to the fact that conditions in England and India are poles apart. In England the necessities of life of a labourer and a wealthy man are one and the same and their food is also about the same. In India conditions are quite different. Here the wealthy people eat meat, eggs, fruit, vegetables, dry fruit, cakes, pastry, coffee, tea and what not. They live to eat, while the poor eat to live. Middle class people in India eat meat, fruit, vegetables and wheat bread, still others eat meat, wheat bread and little vegetables. The poor eat *bajra*, *jawar*, Indian corn and *phakkar* while the poorest people live on scraps that fall from the tables of the rich. Still other poor people eat once every four days.

Now keep these conditions in view and imagine the Government desiring to give wheat to eat to all the people of India. India has never produced so much wheat as to supply the whole of its population with wheat bread. Owing to the control wheat is being sold at four seers per rupee while the gram is offered at three seers per rupee. Government is trying to sell sugar from the U. P. to the Punjab at Rs. 16 per maund while a few months ago *gur* from the Punjab was being sold in the Sonapat Mandi at Rs. 24 per maund. Even at present red-sugar produced in the Punjab is being sold at the rate of Rs. 21 per maund. Under these conditions you can imagine yourselves who would like to eat *gur* and red sugar instead of wheat and white sugar? The cause of present famine in India is largely due to the control besides lack of rain. If you desire to cause scarcity of an article the simple way is to have its price controlled. The moment you do it the article disappears from the bazaar. The reason is the fear that the article would not be obtainable in the bazaar and so everyone tries to have it as much as he can. Those who have a stock of it, hide it and sell it in the black market. Thus the controlled article is sold at two rates: one forced rate under the control on which that article is naturally not obtainable—in the matter of cereals this rate is so low that it forbids their cultivation. This rate is for the authorities, their friends and for those wealthy people who have some influence with those authorities. The other rate is that on which that article is sold in the black market and this is the rate for the poor who get controlled articles at rates much higher than those prevalent in the black market. For instance, the controlled rate of white sugar is at present Rs. 16 per maund. If a villager desires to buy it at controlled rates he will have to get a certificate from the *Patwari* who will not give it until he gets at least a rupee for it, then he will have to approach the *gardawar* who will also charge a rupee for his attestation. He then goes to the *Tehsildar* or the supply officer where he has to go for days, spending at least 2 rupees in the town every day, before he gets his signature. Now comes the turn of the clerk who is naturally paid something before he parts with the permit for 5 seers of white sugar. Thus the villager has to spend Rs. 7 to get 5 seers of white sugar

As I am given only 8 minutes to speak I stop although I have many things still to say.

Mr. T. Chapman-Mortimer (Nominated Non-Official): Mr. Deputy President, after listening to the very lucid account we just had of the practical working of controls, I propose to take the House back to the Finance Bill itself and discuss the various clauses of that Bill as best I can.

Taking clause 4 which seeks to reduce the duty of kerosene; the duty is to be reduced from 4/6 to 3/9 and in fact what the Honourable the Finance

Member has done is to eliminate the additional duty on that commodity so widely consumed by the poor. Then in clause 5 he takes further steps towards dealing with the general problem of the surcharge on customs. I was very glad to see in his speech that he considered that these surcharges required looking into and he shows what his general attitude is going to be by what he has done in this Bill. I am sure, Sir, he will agree that one of the most urgent problems for examination by the Committee which he is setting up is this very question of import duties that is to say I am talking here only of those imposed for revenue purposes and not those imposed for protection purposes. These duties have grown up over a period of about 20 years. During periods of crisis they have been steadily increased and some of them today undoubtedly operate so as to hamper trade. For example, heavy duties on machinery, raw materials, and so on, are definitely a burden on the poorer classes. We, therefore, welcome what the Honourable the Finance Member seeks to do in clauses 5 and 6 of his Bill.

There are one or two more detailed points to which I should like to refer in connection with these two clauses. For example, he proposes in connection with films to change the present duty from an *ad valorem* duty to a specific duty. I am sure he is right in thinking that that will lead to administrative convenience and also, in the long run, it will operate more fairly, while from his point of view being incidentally better.

Then, with regard to duties on bullion, I am sure that every one will respect the reasons he has in mind in imposing these duties. But I should like to call his attention to the following words:—

“While the immediate effect of the new imposts was bearish, what would be the ultimate consequences? At first sight it might appear that the latter would be bullish to the extent that domestic prices would be higher than world prices by at least the amount of the impost. A moment's reflection, however, will show that the consideration underlying the levy of these imposts can have only a bearish effect.”

Now, Sir, we in these benches support these duties.

Mr. Deputy President: Would the Honourable Member like to go on tomorrow?

Mr. Chapman-Mortimer: Yes, Sir, I would.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 21st March 1946.

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