

21st February 1946

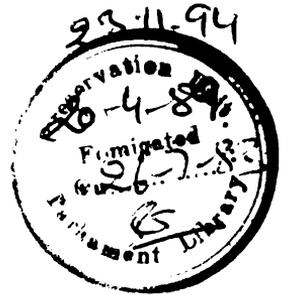
THE LEGISLATIVE ASSEMBLY DEBATES

Official Report

Volume II, 1946

(12th February to 27th February, 1946)

FIRST SESSION
OF THE
SIXTH LEGISLATIVE ASSEMBLY,
1946



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LEGISLATIVE ASSEMBLY

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MR. T. CHAPMAN-MORTIMER, M.L.A.

SARDAR MANGAL SINGH, M.L.A.

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LEGISLATIVE ASSEMBLY

Thursday, 21st February, 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

CONGRESS RESPONSIBILITY FOR AUGUST DISTURBANCES

411. *Mr. P. B. Gole: Will the Honourable the Home Member consider the question of appointing a Committee consisting of elected non-official members of both the Houses to inquire into and ascertain whether the several statements made in the booklet entitled "Congress responsibility for August disturbances" published by the Government of India were justified and correct in view of specific denials by Mahatma Gandhi and other responsible Congress leaders?

The Honourable Sir John Thorne: Government do not propose to appoint a committee for this purpose.

Seth Govind Das: Is it a fact that the disturbances which happened in 1942 were due to the atrocities of the Police and Military in various provinces and places?

The Honourable Sir John Thorne: No, Sir.

Shri D. P. Karmarkar: May I know whether the Honourable Member agrees that the primary responsibility for the August disturbances lies heavily on the head of the Government of India who started the whole affair by arresting wantonly the leaders of India?

The Honourable Sir John Thorne: No, Sir.

DETENUS BEFORE AND AFTER DECLARATION OF HOSTILITIES

412. *Mr. P. B. Gole: Will the Honourable the Home Member please state:

(a) the number of detenus under Regulation III of 1818 Bengal before the declaration of hostilities in 1939; and

(b) the number of detenus still under detention both under the said Regulation and under the Defence of India Rules after 1939?

The Honourable Sir John Thorne: (a) and (b). I can answer duly for persons restricted or detained under orders of the Central Government. The figures asked for are:

(i) Under Bengal Regulation III of 1818—

on the 30th June 1939	41
on the 15th February 1946	34

All except one of the total on each date are Afghans, detained under orders of the External Affairs Department.

(ii) Under the Restriction and Detention Ordinance (No. III of 1944)—
on the 15th February 1946 3

Shri Sri Prakasa: Would the Honourable Member give us an idea of the nature of the charges against all these persons who are detained under Regulation III?

The Honourable Sir John Thorne: All except one are detained under the orders of the External Affairs Department and the question should be addressed to the Secretary of that Department. The one exception is the *ex-Rana* of

Bajji, the reasons for whose detention are rather complicated but if the Honourable Member wants them I shall be glad to give them to him.

Diwan Chaman Lall: May I point out that the *ex-Rana* of Bajji is just as sane as my Honourable friend over there?

The Honourable Sir John Thorne: I am no judge of my own sanity, Sir.

Prof. N. G. Ranga: With regard to the orders of the External Affairs Department, does the Executive Council come at any time into the picture? Is it at all consulted?

The Honourable Sir John Thorne: That question must be addressed to the officer of the Department concerned.

Diwan Chaman Lall: May I ask whether the Honourable Member is prepared to let this House know what are the exact charges against the Afghan detenus?

The Honourable Sir John Thorne: That again must be addressed to the officer of the Department concerned.

Diwan Chaman Lall: Is it that the right hand does not know what the left hand does?

The Honourable Sir John Thorne: The right hand cannot do the work of the left hand.

SUPERANNUATED I.C.S. MEN (BRITISH PERSONNEL) IN SERVICE

413. *Mr. Manu Subedar: (a) Will the Honourable the Home Member please state how many Indian Civil Service men (British personnel) were given an extension of service or were taken on special duty during the war?

(b) How many of them are still continuing in service?

(c) What are their emoluments?

(d) What is the office which they are occupying, and what is the work which they are doing?

The Honourable Sir John Thorne: (a) to (d). The number of British Indian Civil Service officers who during the war were granted extensions of service or employed on special duty under the Government of India after superannuation is 10. A statement giving the information required in respect of such of those officers as are still in service is laid on the table of the House.

Information regarding the number of such officers employed by Provincial Governments is not available.

Statements showing the number etc. of I. C. S. officers (British personnel) who were given an extension of service or were taken on special duty after retirement during the war,

Department or Office	(a)		(b)	(c)	(d)	
	No. of officers who were given an extension of service	No. of officers who were taken on special duty etc. after retirement			The office they are occupying	The work they are doing
1	2	3	4	5	6	7
War Department	Nil	3	1	Sir Malcolm Darling. Pay Ra. 2,890 plus pension which is paid by the Punjab Government.	Officer on Special Duty (Colonisation).	Drawing up schemes for resettlement of ex-servicemen on land.
Home Department	Nil	1	Nil			
War Transport Department	1	Nil	1	Mr. W. C. Dible. Ra. 3,500 p. m.	Chairman of the Road Lands Committee.	Examining the question of land and land acquisition in relation to post-war land development schemes.
Federal Public Service Commission.	Nil	1	1	Mr. N. J. Roughton. Ra. 3,500 p. m. (inclusive of pension).	Additional officer of the F. P. S. C.	Post-war recruitment to the I. C. S., I. P. and Central and Provincial Services.

1	2	3	4	5	6	7
<p>Finance Department</p>	<p>Nil</p>	<p>1</p>	<p>1</p>	<p>Sir Alan Lloyd. Rs. 2,250 p. m.</p>	<p>Establishment Officer to the Government of India and Examiner of Capital Issues.</p>	<p>Selection and appointment of officers of the rank of Under Secretary and above in the Govt. of India Secretariat, Administration of the combined Finance and Commerce Department cadre, and control of Capital Issues.</p>
<p>Political Department</p>	<p>1</p>	<p>Nil</p>	<p>1</p>	<p>Sir Edmund Gibson. Pay Rs. 2,500 p. m. inclusive of pension, plus supplementary allowance of Rs. 250 and house rent and compensatory allowance as admissible to Class I officers in Calcutta.</p>	<p>China Relations Officer, Calcutta.</p>	<p>Co-ordination of activities of the various organisations connected with the common war effort of India and China and the transport of war supplies to China. The post is being abolished with effect from 28th February 1946.</p>
<p>External Affairs Department</p>	<p>Nil</p>	<p>2</p>	<p>1</p>	<p>Sir Edmund Gibson. Pay Rs. 2,500 p. m. inclusive of pension, plus supplementary allowance of Rs. 250 and house rent and compensatory allowance as admissible to Class I officers in Calcutta.</p>	<p>China Relations Officer, Calcutta.</p>	<p>Co-ordination of activities of the various organisations connected with the common war effort of India and China and the transport of war supplies to China. The post is being abolished with effect from 28th February 1946.</p>

Mr. Manu Subedar: May I know whether Government will make an effort to send away these officials now and let the legitimate Indian successors of theirs take these places?

The Honourable Sir John Thorne: I have no doubt that each of these appointments is under review. Each of them is purely temporary and I have no reason to think that any of them will be continued beyond the time when it is considered necessary.

Mr. Manu Subedar: After the stoppage of hostilities, may I know whether Government have made a special inquiry as to the necessity for the continuation of the service of these superannuated British personnel?

The Honourable Sir John Thorne: There are 5 of these officers and I have no doubt that the case of each has been considered.

EXTENSIONS TO SUPERANNUATED PERSONNEL

414. ***Mr. Manu Subedar:** (a) Has the Honourable the Home Member got any special policy with regard to granting extensions to persons in Government service, or has he left it to the head of each Department?

(b) Is it a fact that a large number of persons were granted extensions for various reasons in every Department of Government?

(c) Have Government formulated any policy with regard to the future so far as this issue is concerned?

(d) Have they passed any orders since the stoppage of hostilities for the discontinuance of the policy of granting extensions?

(e) Are all cases of extensions granted beyond the normal period brought to the notice of and reviewed by, the Government of India? If so, what is the machinery for doing this?

(f) Is the Finance Department necessarily consulted on all occasions? If not, why not?

The Honourable Sir John Thorne: (a) and (b). Extensions of service after the date of superannuation are governed by Fundamental Rule 56. Such extensions are granted only on public grounds and in the interests of good administration.

In normal times extensions of service are granted only in exceptional cases. But owing to the ever-increasing shortage of officers during the war it was necessary to grant more extensions of service (or to re-employ more officers after retirement) than in normal times.

(c) The Government do not consider it necessary to formulate any policy other than that embodied in Fundamental Rule 56.

(d) Extensions of service are granted only in the public interests, and no further orders are necessary.

(e) Extensions of service are ordinarily granted for one year at a time, which means that such cases are in practice reviewed annually.

(f) Not necessarily.

Mr. Manu Subedar: May I know whether the Finance Department has been consulted on this, in view of the fact that the extension of service to a very senior man imposes a larger burden on the revenues of India than his being sent away and a junior successor coming in?

The Honourable Sir John Thorne: I think my friend can rest assured that if the Finance Department thought it was necessary that it should be consulted the other departments would have received instructions accordingly.

Prof. N. G. Ranga: Will the Government consider the advisability of no longer giving this facility to these superannuated officers and not extending their services?

The Honourable Sir John Thorne: I think I have answered that. My answer covered that.

Prof. N. G. Ranga: Does it mean that the Government of India are not going to extend the service of these gentlemen, now that the war is over?

The Honourable Sir John Thorne: The case of each gentleman will be considered individually.

Prof. N. G. Ranga: What is it that prevents the Government of India considering this as a matter of principle, so that they may be able to economise expenditure on these services?

The Honourable Sir John Thorne: The principle is clear. This course is adopted only in exceptional circumstances. There is no difference in principle now from the principle that was followed before the war. The difference is in the circumstances.

LIABILITIES OF GOVERNMENT OF INDIA *RE* DEFENCE WORKS, ETC.

415. *Mr. Manu Subedar: (a) Will the Honourable the Finance Member please state the post-war liabilities in respect of Defence works and services and terminal charges incurred by the Government of India; which of these have been determined and which are still being carried forward in suspense accounts?

(b) The number and cost of capital works constructed during the war by the Government of India or by or on behalf of (i) His Majesty's Government and (ii) U.S.A. Government?

(c) What is the present position with regard to the capital works constructed by (i) His Majesty's Government and (ii) the U.S.A. Government?

(d) Will Government place in the Library a complete description of all capital works which were constructed, and what the present position is, *e.g.* whether retained, demolished, sold to the public, etc.?

(e) How many of these have stopped working?

(f) On what basis will the disposal take place?

(g) Have the Government of India accepted any settlement with regard to the moneys arising out of the realisation of works belonging to (i) the U.K. and (ii) the U.S.A.?

The Honourable Sir Archibald Rowlands: (a) No post-war liabilities in respect of Defence works and services have been incurred by the Government of India. Liabilities are charged either to His Majesty's Government or to India as they arise and are not taken to a suspense account.

(b) The number of capital works constructed during the war cannot readily be given. The cost of works built in India by or for the Defence Services is estimated at Rs. 364.5 crores and, of this Rs. 199.9 crores have been charged to India and Rs. 164.6 crores to His Majesty's Government; of the former, Rs. 43.9 crores represent works carried out for the United States Forces in India under Reciprocal Aid. A few works have been undertaken direct both by His Majesty's Government and the United States authorities chiefly in operation areas but I have no precise information at present as to their number or cost.

(c) The Government of India are contemplating taking over works constructed by His Majesty's Government and the United States Government in India.

(d) A list of major works with an indication of whether they have been or are being retained, demolished or sold will be furnished in due course.

(e) Information is being collected.

(f) When a capital work is no longer required by the Central Government, an opportunity is first given to the Provincial Government or State concerned to acquire it at a price to be negotiated taking into account the cost of construction, current market values and the use to which the buildings are to be put. If the Provincial Government or State do not require the work it will be disposed of by sale to the best advantage of the State.

(g) (i) Any moneys so realised will go to reduce the sterling balances.

(ii) It has been agreed that the proceeds will be paid in rupees against which United States Government expenditure in India can be met; any balance remaining will be the subject of negotiations which will take place later.

Mr. Manu Subedar: Arising out of the answer to the last part, may I know if Government have got any assurance that the U.S.A. Government will not use the rupee proceeds received in this manner for financing the normal operations of American purchase in this country?

The Honourable Sir Archibald Rowlands: Yes, Sir. It relates solely to Government expenditure.

Mr. Manu Subedar: With reference to part (c), may I know in what manner the capital works which will be acquired by India will be paid, so far as His Majesty's Government and the U.S.A. Government are concerned?

The Honourable Sir Archibald Rowlands: I have answered that question. I will repeat it. It really comes under the last question, that is to say, in relation to works taken over from His Majesty's Government, His Majesty's Government will be credited with the amount and they will automatically reduce the sterling balances and be treated in the way I have just indicated.

Mr. Manu Subedar: With reference to part (b) may I enquire on what basis this debit of 199 crores has taken place and why it has been debited to India when it was in the interest of the Allied Governments whose headquarters India had become?

The Honourable Sir Archibald Rowlands: As I have said in reply to the question, Rs. 48.9 crores represents reciprocal aid to the U.S.A., the balance represents works carried out for the defence of India.

HIGH DENOMINATION NOTES

416. *Mr. Manu Subedar: Will the Honourable the Finance Member please state for the information of this House:

(i) the object of issuing Ordinance No. II of the 12th January, 1946, asking Banks to supply information with regard to their holdings of notes of high denomination, including Rs. 100;

(ii) total number of notes of each denomination held by Scheduled Banks on the date for which the returns were asked for; and

(iii) the total outstanding issue in the hands of the public of notes of each of the high denomination including Rs. 100?

The Honourable Sir Archibald Rowlands: (i) As a necessary prelude to Ordinance No. III of 1946.

(ii) The relevant figures are:

Rs. 100 notes	Rs. 12,56,70,800
Rs. 500 notes	Rs. 22,500
Rs. 1,000 notes	Rs. 7,39,75,000
Rs. 10,000 notes	Rs. 1,04,90,000
Total	Rs. 21,01,58,300

I would, however, add that returns are still being received by the Bombay office of the Reserve Bank and the checking up of the returns has not yet been completed:

(iii) The value of notes of denominations of Rs. 100 and above which were in circulation on 11th January 1946 was:

Rs. 100 notes	Rs. 501,37,82,600
Rs. 500 notes	Rs. 26,18,000
Rs. 1,000 notes	Rs. 1,19,70,11,000
Rs. 10,000 notes	Rs. 24,00,40,000
Total	Rs. 6,45,34,51,600

Mr. Manu Subedar: In view of the very small figure of Rs. 100 notes which the Scheduled Banks were holding, namely about 12 crores out of a total of 501 crores outstanding, may I know why Government thought it proper to secure the return of Rs. 100 notes which destroyed the confidence of the public in these hundred rupee notes and in the currency generally throughout the country, and what were the reasons which induced the Government to do this?

The Honourable Sir Archibald Rowlands: I do not accept the hypothesis. The reasons were firstly because we did not know how much the Banks held and secondly it was to conceal the scope of Ordinance No. III.

Shri Sri Prakasa: In view of the fact that the Honourable Member said that the issue of this Ordinance was only a prelude to the Ordinance that succeeded about thousand rupee notes, may I know if the Honourable Member had made up his mind beforehand that he would issue the second Ordinance also when he issued the first one?

The Honourable Sir Archibald Rowlands: Obviously, it was issued within 24 hours of each other.

Shri Sri Prakasa: May I know why then the two were not issued together and what particular information reached the Honourable Member in these 24 hours because of which he finally decided to issue the second one?

The Honourable Sir Archibald Rowlands: The reason was that I wanted to avoid any possible hanky-panky of exchanging notes by individuals holding them with the banks. I wanted to know exactly how many notes the banks had on the closing day—Saturday.

Mr. Manu Subedar: May I know if Government have seen the criticisms that the main object of the first Ordinance and the subsequent Ordinance has not been achieved and that only the public have been put to enormous inconvenience?

The Honourable Sir Archibald Rowlands: I have seen the reports, but I do not accept them.

Shri Sri Prakasa: Is the Honourable Member sure that nothing that he described as hanky-panky took place, despite all his efforts?

The Honourable Sir Archibald Rowlands: I wish I could be quite sure that no hanky-panky took place, but I am quite sure that the scope for hanky-panky was very severely restricted by the second Ordinance.

Shri Sri Prakasa: What is the exact meaning of the expression 'hanky-panky'?

The Honourable Sir Archibald Rowlands: I am afraid I do not know the Hindi or the Urdu equivalent of that.

* DEMONETISATION OF HIGH DENOMINATION BANK NOTES

417. **Mr. Manu Subedar:** (a) Will the Honourable the Finance Member please state the object of issuing Ordinance No. III, dated the 12th January, 1946, "to provide for the demonetisation of certain high denomination bank notes"?

(b) What was the amount of each of the high denomination notes tendered and exchanged? (Please give information available with regard to different centres and with regard to different days on which the notes were so collected.)

(c) What arrangements have been made with regard to the Indian States for the application of the requirements of this Ordinance?

(d) What is the position with regard to notes which may be outside India?

(e) Have Government considered the inconvenience to the *bona fide* owners, and do they propose to provide for exceptional cases where satisfactory explanation is forthcoming for the delay in exchanging high denomination notes on account of illness, absence from town, failure to locate the notes within the period, or any other satisfactory and *bona fide* reason?

The Honourable Sir Archibald Rowlands: (a) The objects were:

- (1) to strike at the black marketeers;
 - (2) to rope in the tax-dodgers;
 - (3) to deprive of some of their ill-gotten gains the public servants who had betrayed their trust and to bring some of them to book;
 - (4) to check the unhealthy boosting of shares, which was taking place in certain sections of the market, to the enrichment of the speculator at the expense of the genuine investor;
 - (5) to bring under control a potential source of danger to sound monetary policy;
 - (6) to warn speculators, black marketeers, profiteers, the bribe-givers and the bribe-takers that, now that the war is over, Government intends to deal resolutely with them and to make it plain that Government will no longer tolerate their holding the community to ransom;
 - (7) to try and turn some of the hoarded money to productive use in the development of the country; and lastly, to fill in one of the many gaps in our statistical knowledge, and in this respect the Ordinance is complementary to the analysis which the Reserve Bank is undertaking of bank deposits.
- (b) I place on the table a statement giving the information desired.
- (c) At the instance of the Crown Representative practically all the Indian States have enacted legislation parallel to the British Indian Ordinance.
- (d) I would invite attention to rule 6 of the High Denomination Bank Notes (Demonetisation) Rules, promulgated with the Finance Department Notification No. D. 585-F. III/46, dated 26th January 1946.
- (e) The answer to the first part is in the affirmative; and as regards the second part, I would invite the Honourable Member's attention to clause (10) of section 6 of the High Denomination Bank Notes (Demonetisation) Ordinance, 1946, and to the Finance Department Notification No. D. 559-F. III/46, dated the 26th January 1946.
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Statement showing the Daily Exchanges of High Denomination Notes Effected at the various Circles of the Reserve Bank of India

Date	Denomination	Bombay Circle	Calcutta Circle	Cawnpore Circle	Karachi Circle	Lahore Circle	Delhi Office	Madras Circle	Total
15th Jan. 1946	Rs. 500/-	500	3,000		1,000	1,500			6,000
	Rs. 1,000/-	4,43,72,000	85,03,000	11,23,000	36,23,000	30,12,000	13,74,000	5,62,000	6,25,69,000
	Rs. 10,000/-	8,25,60,000	16,90,000	5,29,000	4,70,000	35,30,000		7,40,000	8,95,10,000
	Day's Total	12,89,32,500	1,01,96,000	16,43,000	40,94,000	65,43,500	13,74,000	13,02,000	15,20,85,000
	Progressive Total	12,89,32,500	1,01,96,000	16,43,000	40,94,000	65,43,500	13,74,000	13,02,000	15,20,85,000
16th Jan. 1946	Rs. 500/-	3,000	500	7,09,000	500	2,000	3,07,000	2,63,000	6,000
	Rs. 1,000/-	1,33,41,000	60,40,000	1,40,000	4,01,000	18,50,000	10,000	70,000	2,29,71,000
	Rs. 10,000/-	2,90,000	11,00,000	1,40,000	10,000	5,10,000			21,30,000
	Day's Total	1,36,34,000	71,40,500	8,49,000	4,11,500	23,62,000	3,77,000	3,33,000	2,51,07,000
	Progressive Total	14,05,66,500	1,73,36,500	24,92,000	45,05,500	89,05,500	17,51,000	16,35,000	17,71,92,000
17th Jan. 1946	Rs. 500/-	3,000	1,000	5,000	66,500	30,000			1,05,000
	Rs. 1,000/-	4,17,88,000	28,03,000	20,33,000	35,71,000	68,19,000	3,11,000	69,000	5,73,94,000
	Rs. 10,000/-	12,60,000	8,70,000	1,40,000	1,20,000	8,60,000			32,50,000
	Day's Total	4,30,51,000	36,74,000	21,78,000	37,57,500	77,09,000	3,11,000	69,000	6,07,49,500
	Progressive Total	18,36,17,500	2,10,10,500	46,70,000	82,63,000	1,66,14,500	20,52,000	17,04,000	23,79,41,500

18th Jan. 1946	Rs. 500/-	2,000	5,000	4,500	70,500	36,500	6,500	2,500	1,27,500
	Rs. 1,000/-	4,22,33,000	92,58,000	39,71,000	77,71,000	1,77,31,000	33,34,000	14,10,000	8,57,08,600
	Rs. 10,000/-	9,70,000	23,10,000	50,000	1,80,000	13,10,000	70,000	7,20,000	56,10,000
	Day's Total	4,32,05,000	1,15,73,000	40,25,500	80,21,500	1,00,77,500	34,10,500	21,32,500	9,14,45,500
	Progressive Total	22,68,22,500	3,25,83,500	86,95,500	1,62,84,500	3,56,92,000	54,72,500	38,38,500	32,93,87,000
19th Jan. 1946	Rs. 500/-	16,000	65,000	8,500	90,500	61,000	29,94,000	5,000	2,46,000
	Rs. 1,000/-	6,03,84,000	1,33,73,000	76,92,000	64,32,000	2,25,01,000	29,94,000	24,79,000	11,58,55,000
	Rs. 10,000/-	11,00,000	14,50,000	2,40,000	2,40,000	26,40,000	60,000	3,10,000	60,40,000
	Day's Total	6,15,00,000	1,48,88,000	79,40,500	67,62,500	2,52,02,000	30,54,000	27,94,000	12,21,41,000
	Progressive Total	28,83,22,500	4,74,71,500	1,66,36,000	2,30,47,000	6,08,94,000	85,28,500	66,30,500	45,15,28,000
20th Jan. 1946	Rs. 500/-	4,000	8,000	5,82,000	15,000	9,64,000	17,59,000	500	27,500
	Rs. 1,000/-	2,83,57,000	1,92,45,000	5,82,000	3,93,000	9,64,000	17,59,000	1,34,000	5,14,34,000
	Rs. 10,000/-	4,90,000	20,60,000	20,000	40,000	1,50,000	20,000	20,000	28,00,000
	Day's Total	2,88,51,000	2,13,13,000	6,02,000	4,48,000	11,14,000	17,79,000	1,54,500	5,42,61,500
	Progressive Total	31,71,73,500	6,87,84,500	1,72,38,000	2,34,95,000	6,20,08,000	1,03,05,500	67,85,000	50,57,89,500
21st Jan. 1946	Rs. 500/-	9,000	73,000	15,000	14,000	32,500	3,500	10,000	1,43,000
	Rs. 1,000/-	3,52,14,000	2,84,99,000	66,18,000	14,000	1,62,47,000	26,21,000	37,75,000	9,29,88,000
	Rs. 10,000/-	3,80,000	1,02,60,000	3,60,000	14,000	11,20,000	30,000	4,40,000	1,25,90,000
	Day's Total	3,56,03,000	3,88,32,000	69,93,000	14,000	1,73,99,500	26,54,500	42,25,000	10,57,21,000
	Progressive Total	35,27,76,500	10,76,16,500	2,42,31,000	2,35,09,000	7,94,07,500	1,29,60,000	1,10,10,000	61,15,10,500

Date	Denomination	Bombay Circle	Calcutta Circle	Cawnpore Circle	Karachi Circle	Lahore Circle	Delhi Circle	Madras Circle	Total
22nd Jan. 1946	Rs. 500/-	15,500	30,500	17,500	39,000	42,000	5,000	1,000	1,51,000
	Rs. 1,000/-	3,96,08,000	3,41,16,000	64,07,000	28,15,000	98,58,000	43,16,000	39,10,000	10,10,30,000
	Rs. 10,000/-	8,90,000	28,60,000	1,20,000	2,10,000	7,70,000	1,10,000	7,10,000	56,70,000
	Day's Total	4,05,13,500	3,70,06,500	65,44,500	30,64,000	1,06,70,500	44,31,000	46,21,000	10,68,51,000
	Progressive Total	39,32,90,000	14,46,23,300	3,07,75,500	2,65,73,000	9,00,78,000	1,73,81,000	1,56,31,000	71,83,61,500
23rd Jan. 1946	Rs. 500-	7,000	68,500	8,500	6,500	14,000	5,000	1,500	1,11,000
	Rs. 1,000/-	3,57,47,000	3,72,10,100	1,25,15,500	9,97,000	74,90,000	22,23,000	21,98,000	9,83,80,000
	Rs. 10,000/-	9,80,000	39,30,000	4,90,000	50,000	10,00,000	1,50,000	4,70,000	70,70,000
	Day's Total	3,67,34,000	4,12,08,500	1,30,13,500	10,53,500	85,04,000	23,78,000	26,69,500	10,55,61,000
	Progressive Total	43,00,24,000	18,58,31,500	4,37,89,000	2,76,26,500	85,82,000	11,97,89,000	1,83,00,500	82,39,22,500
24th Jan. 1946	Rs. 500/-	7,000	25,500	11,000	3,000	1,08,000	1,000	4,500	1,60,000
	Rs. 1,000/-	3,45,34,000	2,91,43,000	66,84,000	6,76,000	83,60,000	15,24,000	23,92,000	8,33,13,000
	Rs. 10,000/-	7,50,000	41,80,000	3,60,000	20,000	25,20,000	20,000	4,90,000	83,40,000
	Day's Total	3,52,91,000	3,33,48,500	70,55,000	6,99,000	1,99,88,000	15,45,000	28,86,500	9,18,13,000
	Progressive Total	46,53,15,000	21,91,80,000	5,08,44,000	2,83,25,500	10,95,70,000	2,13,14,000	2,11,87,000	91,57,35,500
25th Jan. 1946	Rs. 500/-	8,000	72,500	30,000	46,000	38,000	5,000	500	2,00,500
	Rs. 1,000/-	3,68,83,000	3,16,37,000	82,69,000	9,20,000	78,15,000	30,31,000	21,95,000	9,07,50,000
	Rs. 10,000/-	48,20,000	43,20,000	3,70,000	30,000	15,20,000	70,000	3,80,000	1,16,10,000
	Day's Total	4,17,11,000	3,60,29,500	86,69,000	9,96,500	93,73,000	31,06,000	25,75,500	10,24,60,500
	Progressive Total	50,70,26,000	25,52,09,500	5,95,13,000	2,93,22,000	11,89,43,000	2,44,20,000	2,37,62,500	1,01,81,96,000

26th Jan. 1946	Rs. 500/-	6,000	45,500	7,000	25,000	16,500	1,000	..	1,01,000
	Rs. 1,000/-	2,48,27,000	2,88,20,000	61,45,000	13,09,000	54,88,000	7,16,000	13,29,000	6,86,34,000
	Rs. 10,000/-	36,00,000	38,90,000	3,70,000	40,000	12,50,000	1,00,000	5,10,000	97,60,000
	Day's Total	2,84,33,000	3,27,55,500	65,22,000	13,74,000	67,54,500	8,17,000	18,39,000	7,84,95,000
	Progressive Total	53,54,59,000	28,79,95,000	6,60,35,000	3,06,96,000	12,56,97,500	2,58,37,000	2,56,01,500	1,09,66,91,000
27th Jan. 1946	Rs. 500/-	..	..	..	..	..	..	..	..
	Rs. 1,000/-	..	..	..	..	..	..	..	..
	Rs. 10,000/-	..	..	..	..	..	..	..	..
	Day's Total	..	..	..	..	..	..	..	..
	Progressive Total	53,54,59,000	28,79,95,000	6,60,35,000	3,06,96,000	12,57,32,500	2,52,37,000	2,56,01,500	1,09,67,26,000
28th Jan. 1946	Rs. 500/-	1,500	69,500	..	500	8,000	2,000	..	81,500
	Rs. 1,000/-	3,06,86,000	1,25,59,000	12,94,000	22,000	11,66,000	4,46,000	3,32,000	4,67,75,000
	Rs. 10,000/-	8,40,000	25,40,000	1,10,000	..	4,70,000	40,000	20,000	40,20,000
	Day's Total	3,15,27,500	1,54,68,500	13,74,000	22,500	16,44,000	4,88,000	3,52,000	5,08,76,500
	Progressive Total	56,69,86,500	30,34,33,500	6,74,09,000	3,07,18,500	12,73,76,500	2,57,25,000	2,59,53,500	1,14,76,02,500
29th Jan. 1946	Rs. 500/-	500	2,000	..	..	7,000	..	..	9,500
	Rs. 1,000/-	36,85,000	1,05,000	40,000	2,000	7,97,000	10,00,000	2,46,000	58,83,000
	Rs. 10,000/-	20,000	20,000	..	..	10,000	..	50,000	1,00,000
	Day's Total	37,05,500	1,27,000	40,000	2,000	8,14,000	10,08,000	2,96,000	59,92,500
	Progressive Total	57,06,92,000	30,35,60,500	6,74,49,000	3,07,20,500	12,81,90,500	2,67,33,000	2,62,49,500	1,15,35,95,000

Date	Denomination	Bombay Circle	Calcutta Circle	Coimbatore Circle	Kanara Circle	Lahore Circle	Delhi Circle	Madras Circle	Total
30th Jan. 1946	Rs. 500/-	..	4,500	..	..	..	..	..	4,500
	Rs. 1,000/-	30,88,000	1,68,000	4,61,000	..	..	4,000	15,000	37,37,000
	Rs. 10,000/-	90,000	..	..	3,000	..	..	..	90,000
31st Jan. 1946	Day's Total	31,76,000	1,72,500	4,61,000	3,000	..	4,000	15,000	38,31,500
	Progressive Total	57,38,68,000	30,37,33,000	6,79,10,000	3,07,23,500	12,81,90,500	2,67,37,000	2,63,64,500	116,74,26,500
	Rs. 500/-	500	..	..	..	..	..	..	500
1st Feb. 1946	Rs. 1,000/-	57,49,000	93,000	..	3,000	50,000	12,94,000	8,000	71,97,000
	Rs. 10,000/-	80,000	..	..	..	..	..	30,000	1,10,000
	Day's Total	58,29,500	93,000	..	3,000	50,000	12,94,000	38,000	73,07,500
1st Feb. 1946	Progressive Total	57,96,97,500	30,38,26,000	6,79,10,000	3,07,26,500	12,82,40,500	2,80,31,000	2,63,02,500	116,47,34,000
	Rs. 500/-	4,13,000	500	..	..	500	..	..	4,14,000
	Rs. 1,000/-	36,79,000	1,22,000	..	3,000	16,000	8,52,000	27,000	46,99,000
1st Feb. 1946	Rs. 10,000/-	5,20,000	..	..	..	..	..	..	5,20,000
	Day's Total	46,12,000	1,22,500	..	3,000	16,500	8,52,000	27,000	56,33,000
	Progressive Total	58,43,09,500	30,39,48,500	6,79,10,000	3,07,29,500	12,82,57,000	2,88,83,000	2,63,29,500	117,03,67,000

Mr. Manu Subedar: While the objects mentioned by the Honourable Member are laudable, may I know why the machinery miscarried at a later date, whether Government made any inquiries, whether any cases have been found out, whether Government are aware that there was a black market in high denomination notes at almost every important centre and that these notes, from the guilty parties mentioned by him, were taken over by others and were cashed in?

The Honourable Sir Archibald Rowlands: I have no doubt that anything that we do in this country will produce another black-market. But I have only had one or two specific cases brought to my knowledge and they are under investigation and, if necessary, will lead to prosecution.

Shri Mohan Lal Saksena: May I know how many cases of bribe-taking were detected?

The Honourable Sir Archibald Rowlands: None, Sir; it was not intended to find out bribe-taking.

Mr. Manu Subedar: Did Government institute any special machinery in advance to prevent the arising of this black-market which I have mentioned and which newspapers were commenting upon from day to day, and every day rates were being quoted from Rs. 450 to Rs. 900 for thousand-rupee notes? And when Government saw all this in the press, if they did not put any special machinery before, did they institute any special machinery later for catching specific cases and punishing them?

The Honourable Sir Archibald Rowlands: We sent a telegram to every District Magistrate in India to watch out every day.

Seth Govind Das: The Honourable Member said that anything done here will produce a black-market. May I know who is responsible for it? Are Government not responsible for such a state of things?

The Honourable Sir Archibald Rowlands: I have no doubt at all that Government are not entirely free from blame but I think there are people in this country who are only too ready to take advantage of it.

Seth Govind Das: Is the Honourable Member aware that if there is a national Government, these black-markets will not exist?

The Honourable Sir Archibald Rowlands: That is not a question of fact; it is a matter of opinion.

Mr. Manu Subedar: May I know what steps the Honourable Member will now take to restore confidence in note issue generally throughout the country to some extent, because loss of confidence has taken place?

The Honourable Sir Archibald Rowlands: I do not agree that there has been any loss of confidence except that induced by people who like to make mischief. In point of fact, we have published the fact that there is no intention of demonetising any other notes.

Sreejot Rohini Kumar Chaudhuri: May I know what steps were taken to notify the Ordinance in rural areas?

The Honourable Sir Archibald Rowlands: We gave publicity to this on the wireless, we published it in the press; we sent copies to every bank and to every District Magistrate. I admit that they got there late.

Dr. Sir Zia Uddin Ahmad: Is the Honourable Member aware that large numbers of notes of high denomination were transferred to Indian States and they were also mishandled by smaller banks?

The Honourable Sir Archibald Rowlands: I would be very grateful for the evidence in possession of the Honourable Member.

Shri Mohan Lal Saksena: May I know what further steps, if any, Government propose to take to detect bribe-givers and bribe-takers?

The Honourable Sir Archibald Rowlands: The declaration forms both as to the names of the people tendering them and the declarations they made are being carefully scrutinised.

Prof. N. G. Ranga: What is the estimate of the gain derived by Government as well as the public as a result of the promulgation of the Ordinance?

The Honourable Sir Archibald Rowlands: It is inestimable.

Mr. Manu Subedar: May I know what was done by Government when they came to know that the signatures of J. P.'s and Honorary Magistrates were being forged on the presentation forms by applicants?

The Honourable Sir Archibald Rowlands: I was not aware of that.

Shri Sri Prakasa: Is the Honourable Member sure that the objects for which he issued this Ordinance have been fulfilled, and can he tell us the number of guilty persons he has caught?

The Honourable Sir Archibald Rowlands: We are examining the declarations in great detail.

Sreejut Rohini Kumar Chaudhuri: May I know if any special instructions were issued to the District Officers and Sub-divisional Officers for the purpose of notifying this Ordinance in the rural areas?

The Honourable Sir Archibald Rowlands: Yes, Sir.

BROADCASTING STATION AT PATNA

418. *Mr. Madandhari Singh: (a) Will the Honourable Member for Information and Broadcasting please state if there is any scheme to start a Broadcasting Station at Patna (Bihar)?

(b) If the answer to (a) is in the affirmative, when will the Broadcasting Station begin to function?

The Honourable Sir Akbar Hydari: (a) Yes.

(b) The replacement equipment is awaited from United Kingdom. No definite date can, therefore, be fixed for the functioning of the station.

Sri N. Narayanamurthi: Is Patna the only new broadcasting station that is now under contemplation or are there others also?

The Honourable Sir Akbar Hydari: There are others also.

Babu Ram Narayan Singh: In the last Budget session of the Assembly it was announced that Patna will be the first broadcasting station to be constructed. Has that priority been cancelled or does it still stand?

The Honourable Sir Akbar Hydari: It stands.

Prof. N. G. Ranga: Is it not a fact that Government have been trying to get this broadcasting machinery and other apparatus for the last two years?

The Honourable Sir Akbar Hydari: Yes, Sir; the previous equipment was sunk.

Sri N. Narayanamurthi: Will the Honourable Member state what other stations are in contemplation?

The Honourable Sir Akbar Hydari: Karachi is one, Nagpur is another, and there are others.

Sri M. Ananthasayanam Ayyangar: May I know if in Delhi there are a number of stations working for carrying on propaganda in the eastern countries and in Persia, Arabia and other places? Cannot this machinery be released for establishing the Patna station?

The Honourable Sir Akbar Hydari: That does not seem to arise.

Shri Satya Narayan Sinha: May I know for how long this scheme of starting a broadcasting station at Patna has been under consideration?

The Honourable Sir Akbar Hydari: For quite a time but, as I explained in answer to a question by my Honourable friend Prof. Ranga, the first lot of equipment was sunk, and the one which is now expected is under test in the United Kingdom, and I hope it will come soon.

Sri M. Ananthasayanam Ayyangar: I am asking the Honourable Member why he should go to the United Kingdom for getting machinery for Patna. There is machinery here which is used for carrying on propaganda in various countries, and why cannot that machinery be sent to Patna?

The Honourable Sir Akbar Hydari: I cannot answer that without notice.

Sri M. Ananthasayanam Ayyangar: I said even yesterday that there are a number of such machines which were used during the war for propaganda purposes and which can now be released. Orissa has no broadcasting station, the Telugu language has not got one and other languages also have no broadcasting stations. Why cannot one set of machinery be installed in Patna and why should notice be wanted for this?

The Honourable Sir Akbar Hydari: The only reason why I wanted notice was that I may get the question examined and give a reasonable answer to the question.

Sri M. Ananthasayanam Ayyangar: Why did it not strike my Honourable friend to utilise those already in existence which have been thrown out of use after the war? Why should he want any illumination from me?

(No reply was given.)

APPOINTMENTS UNDER UNIFIED SCALES OF PAY

419. *Mr. B. B. Varma: (a) With reference to the Home Department Office Memo. No. 1/3/44-Ests(S), dated the 30th October, 1944, and the Finance Department Office Memo. No. F.44(3)W/44, dated the 20th January, 1945, regarding Unified Scales of Pay, will the Honourable the Home Member please state whether the Unified Scales of Pay introduced during the War are going to be abolished? If so, by what date are they likely to be abolished?

(b) Do Government propose to appoint those persons, who are in the Unified Scales of Pay, in the First and Third Divisions of the Government of India Secretariat, when these Unified Scales of Pay are abolished?

(c) Is it a fact that in several Departments of the Government of India even non-graduates have been appointed in the 'A' Grade of the Unified Scales of Pay? If so, how many, and what are the reasons for doing so?

(d) Are Government aware that non-graduates have been appointed in the 'A' Grade while the Federal Public Service Commission's qualified graduates have been given only 'B' grade in certain Departments? If so, why?

The Honourable Sir John Thorne: (a) and (b). These matters are under consideration.

(c) As the number of candidates who qualified for appointment to Grade 'A' in the examination held by the Federal Public Service Commission was insufficient to fill all available vacancies. Departments were authorised to recruit to such vacancies themselves where necessary. I understand that under this dispensation at least one non-graduate has been directly appointed to the 'A' Grade, but my information is not complete. Some non-graduates have been promoted to the 'A' Grade, but I am not aware of the exact number. To collect information on these points would mean a good deal of labour.

(d) With the first part of this clause I have already dealt in the answer to the preceding clause. As regards the second part of the clause, it is quite possible that the Commission has nominated graduates to the 'B' Grade. In accordance with the terms of the notice for the examinations it was open to the Commission to nominate for Grade 'B' those candidates who did not qualify for Grade 'A' but who secured more than a prescribed minimum of marks.

Prof. N. G. Ranga: Is it not a fact that non-graduates have been appointed directly to 'A' Grade?

The Honourable Sir John Thorne: I think I have answered that.

Prof. N. G. Ranga: The answer was that non-graduates have been promoted to 'A' Grade, but not that non-graduates were not being appointed.

The Honourable Sir John Thorne: My reply was that I understand that under this dispensation at least one non-graduate has been directly appointed to the 'A' Grade; but my information is not complete.

Prof. N. G. Ranga: If there were graduates available and they were appointed to 'B' Grade, why should non-graduates be directly recruited to the 'A' Grade?

The Honourable Sir John Thorne: I am quite prepared to admit that there may have been some difference in standards in some Departments, but I think it has been on a very small scale, the arrangement is purely temporary and I do not think it is necessary to pursue it further.

APPOINTMENTS UNDER UNIFIED SCALES OF PAY

420. *Mr. B. B. Varma: (a) Will the Honourable the Home Member please state the policy of Government in the matter of retrenchment in the Government of India of persons recruited directly in the Unified Scales of Pay?

(b) Do Government propose to retrench all those persons who were appointed directly in the 'A' Grade in preference to those who were promoted to that grade departmentally?

(c) If the position be as stated in (b) above, do Government propose to consider declaring the former as junior to the latter?

(d) Is it a fact that persons who are on deputation and were appointed in the "A" Grade have been confirmed in some Departments in that grade in supersession of the claims of the departmentally promoted persons? If so, what action do Government propose to take in the matter to set things right?

The Honourable Sir John Thorne: (a) The following instructions have been issued in respect of persons in temporary Government service who have to be retrenched:

(i) to safeguard the interests of minority communities, *vide* Home Department Press Communique dated 4th October 1945, a copy of which was placed on the table of the House on the 7th February;

(ii) to give retrenched men the use of the Employment Exchanges set up by Government; this will mean broadly speaking that they are given the same facilities for finding alternative employment as are enjoyed by men demobilised from the Forces.

(b) and (c). I understand the phrase "promoted to that grade departmentally" to mean permanent employees who have been promoted to officiate in the Assistants Grade. So far as I am aware, the question has not arisen.

(d) I do not understand the question as no one can be confirmed in the 'A' Grade.

HINDI AND URDU OR HINDUSTANI PROGRAMMES FOR ALL-INDIA RADIO

421. *Mr. M. R. Masani: (a) Has the attention of the Honourable Member for Information and Broadcasting been drawn to a news report entitled "Hindi-Urdu Policy: Information and Broadcasting Member Holds Conference" which appeared in the *Hindustan Times*, dated January 29, 1946?

(b) Is it a fact that such a Conference was held in which the Hindi-Urdu policy of the All-India Radio was discussed?

(c) Is it a fact that the majority of members taking part in this Conference recommended a curtailment of Hindustani broadcasts in favour of separate broadcasts in Hindi and Urdu?

(d) Are Government aware of the fact that such a recommendation would be regarded as most retrograde by the progressive and nationalist section of the people who strongly support Mahatma Gandhi's movement for the development of a common national language?

(e) Are Government aware of the fact that in furtherance of such a movement, Mahatma Gandhi has resigned from associations holding separatist views in language?

(f) Does the Honourable Member propose to give an assurance that Government (i) will not encourage separatism, (ii) will not curtail Hindustani or hinder its development, and (iii) will encourage the development of a common national language through the medium of the radio?

The Honourable Sir Akbar Hydari: (a) Yes.

(b) Yes.

(c) No.

(d) Yes if such a recommendation were made.

(e) Yes.

(f) Yes as far as it lies in my power.

Mr. M. R. Masani: Arising out of the answer to part (c) that the report is not correct, will the Honourable Member kindly tell us what exactly is the recommendation of the Conference?

The Honourable Sir Akbar Hydari: I will read it out from the Press Note:

"After a full discussion, the Committee unanimously came to the conclusion that the use of Hindustani as the common language for news bulletins, though not free from difficulties, should not be given up without a further attempt at arriving at a generally acceptable vocabulary."

Shri Sri Prakasa: Will the Honourable Member for my illumination, kindly give his reply to the question I am asking in Hindustani, Urdu and Hindi, in order that I may understand what exactly these languages are?

The Honourable Sir Akbar Hydari: I regret my inability to do so.

Mr. M. R. Masani: Will the Honourable Member consider the members of this House as experts in terms of the Press Note which he has referred to, by placing a copy of the Lexicon which has been prepared, of English words with their Hindi and Urdu equivalents, in the Library of the House?

The Honourable Sir Akbar Hydari: Certainly.

ANTI-CONGRESS PROPAGANDA BY INDIAN INFORMATION OFFICE, WASHINGTON

422. *Seth Govind Das: (a) Will the Honourable Member for Information and Broadcasting be pleased to state if it is a fact that the Indian Information Office at Washington has been spending money for the anti-Congress propaganda by publishing, subsidising and circulating a number of books from the year 1942 to 1945?

(b) Will the Honourable Member lay on the table the number of such books with their names, the names of the authors and the total expenditure incurred on them?

(c) What was the total amount spent in the United States on propaganda during 1942-43, 1943-44, 1944-45, with special reference to the following:

(i) expenses of Sir Girja Shanker Bajpai's Office;

(ii) Expenses incurred on publicity materials, posters, pamphlets, cables sent to the United States of America;

(iii) expenses incurred on sending the various missions such as the 'Sarma Mission';

(iv) expenses incurred on the special Publicity Officer maintained for preparing literature sent to America; and

(v) expenses on air travel to America incurred by the officials of his Department at short intervals?

The Honourable Sir Akbar Hydari: (a) Not that I am aware of.

(b) Does not arise.

					Rs.
(c) (i)	1942-43	.	.	.	4,61,600
	1943-44	.	.	.	7,08,825
	1944-45	.	.	.	8,59,300

(ii) Publicity to America has been handled as part of the normal external publicity duties of the attached offices of this Department, but if the Honourable Member is referring to the budget of the Indian Information Services maintained in America it was Rs. 61.542, Rs. 1.55 lakhs and 4;11 lakhs in the three years respectively.

(iii) I presume the Honourable Member is referring to the four gentlemen (Sir Srinivasa Sarma, Sir H. G. Misra, Mr. R. R. Bhole and Mr. M. Ghiasuddin) sent to America during the year 1943-44. If so, expenditure incurred on their visit was Rs. 59,000.

(iv) United Publications produce a magazine called 'Perspective', directed towards America. The Editor of this magazine is in receipt of a pay of Rs. 850 p. m. in the scale of Rs. 800—50—1,000.

(v) Rs. 9,728.

Seth Govind Das: The Honourable Member has denied the allegation which is contained in parts (a) and (b) of my question, but does the Honourable Member know, Sir, that these two books—"What Does Gandhi Want", and "A Report on India"—were written by Mr. Raman who is an employee of the Government of India?

The Honourable Sir Akbar Hydari: I do not know whether they were written by him

Diwan Chaman Lall: His name is on the books.

The Honourable Sir Akbar Hydari: I did not know of the existence of these books. Mr. Raman is leaving the service of the Government by the end of this month.

Seth Govind Das: When he has denied this fact, may I know how does he say that no anti-Congress propaganda is being carried out in America when actually an employee of the Government of India has written books like "What Does Gandhi Want" and "A Report on India"?

The Honourable Sir Akbar Hydari: I said, Sir, "Not that I am aware of". Now that the Honourable Member has mentioned these two books, I will find out whether these two books were issued with the funds made available by Government.

Seth Govind Das: Does the Honourable Member know that His Excellency Lord Wavell wrote to Lord Halifax that there is a great agitation in India against the propaganda which is being carried on in the United States of America and such huge sums of money which are being spent there should not be spent?

The Honourable Sir Akbar Hydari: I do not know of this correspondence.

Mr. T. Chapman-Mortimer: In answer to part (c) of the question, I notice from the reply of the Honourable Member that the expenses on this item have, practically doubled in the last few years. Is the Honourable Member going to take steps to curtail that expenditure drastically?

The Honourable Sir Akbar Hydari: I made the same enquiry and was told that the reason for the increased expenditure is the high price of American publications which have to be purchased; but I will certainly make a further enquiry into the matter.

Seth Govind Das: Is it a fact that a Palace has been purchased in America for Sir Girja Shankar Bajpai at the cost of half a million dollars?

The Honourable Sir Akbar Hydari: That question should be addressed to the Secretary, External Affairs Department.

Diwan Chaman Lall: May I ask my Honourable friend whether it is the policy of the Government of India to continue to pay money for propoganda in America of the type evidenced by these questions and answers?

The Honourable Sir Akbar Hydari: I have not accepted the statement of my honourable friend that the kind of propoganda which he complains of has been financed by the Government of India, but if he wants to know whether

we propose carrying on propaganda on behalf of India in America, the answer is in the affirmative.

Seth Govind Das: Is it a fact that the Government of India is sending cables practically every day from here and a lot of money is being spent on that?

The Honourable Sir Akbar Hydari: Yes, Sir, quite a large sum of money is spent on sending cables.

Seth Govind Das: Will the Honourable Member deny that these cables sometimes contain propaganda against the Congress?

The Honourable Sir Akbar Hydari: Not that I am aware of, but if the Honourable Member will only come and have a word with me I can explain the things to him.

Sri M. Ananthasayanam Ayyangar: Apart from carrying on any particular kind of propaganda—anti or for the Congress—what is the need for carrying on any propaganda any longer in America?

The Honourable Sir Akbar Hydari: That is a matter of opinion. India wants a certain number of things from America. The people of America are rather ignorant of our achievements whether cultural or industrial and it is a good thing for them to know something of us. That is the view of the present Government. When the new Government comes they can change matters.

Sri M. Ananthasayanam Ayyangar: May I know if any propaganda has been carried on or has any propaganda yet to be carried on?

The Honourable Sir Akbar Hydari: Certainly.

Sri M. Ananthasayanam Ayyangar: Then what is it?

The Honourable Sir Akbar Hydari: Wait and see.

Shri Mohan Lal Saksena: What is the reason for the resignation of Mr. Raman?

The Honourable Sir Akbar Hydari: No reason.

Shri Mohan Lal Saksena: Is it because of the impending danger of the National Government to be formed?

Mr. President: That is for Mr. Raman to say.

Shri Sri Prakasa: How many books does Mr. Raman propose to write before he retires at the end of the month?

The Honourable Sir Akbar Hydari: He would have to be a very quick writer if he is to write them between now and the 28th of this month when he goes.

Shri Sri Prakasa: Propaganda is always quick work.

Mr. President: Next question.

WAR SERVICES VACANCIES FOR BRITISHERS AND INDIANS

423. *Seth Govind Das: (a) Will the Honourable the Home Member be pleased to state how many vacancies in civil services have been reserved for war service candidates?

(b) Are they meant for only Britishers or also for Indians?

(c) If the answer is that for Indians also, will the Honourable member state the percentage fixed for Britishers and Indians?

The Honourable Sir John Thorne: (a) The following number of vacancies have been reserved for 'war service' candidates in the various services:

Secretary of State's Services	336 .
Central Services	468

(b) Of the vacancies in the Secretary of State's Services, 197 fall to Europeans and 139 to Indians; Indian vacancies which arose in the early years of the war have already been filled.

There is no reservation of vacancies in the Central Services for Europeans.

(c) The ratio of British and Indian recruitment is as follows:

	Europeans	Indians
I.C.S.	50	50
I.P.	50	44

Seth Govind Das: Why is it that such a big ratio for Europeans is being kept up?

The Honourable Sir John Thorne: I do not quite understand my Honourable friend's question. The ratio has not been raised.

Seth Govind Das: Why is it being kept up at such high numbers?

The Honourable Sir John Thorne: That is a question that was well ventilated on the floor of this House on an adjournment motion.

Mr. Manu Subedar: With regard to the 197 places which will be filled up with Britishers, has the Honourable Member sent down to the Secretary of State both the debate and the short notice question and supplementaries in which it was asked by this side of the House that as a goodwill gesture His Majesty's Government should not fill up any more places with heavy handicap to Indian finances in view of the great compensations which were provided?

The Honourable Sir John Thorne: The proceedings in both instances will be sent. I am not certain whether they have been sent and whether we have yet received them.

Sri M. Ananthasayanam Ayyangar: If all the places are to be filled why are these things not hurriedly sent up?

Mr. Manu Subedar: Will my Honourable friend undertake to send a special cable, if necessary the cost will be collected by Members from this side, to His Majesty's Government, that in view of the delegation which is coming from the United Kingdom—a very distinguished and highly placed delegation—this is the least gesture which they can make to the people of this country?

The Honourable Sir John Thorne: That is a fresh question to which I should be unwilling to reply on the spur of the moment.

Diwan Chaman Lall: Have the Government of India come to any conclusions as the result of the debate on this subject that took place on the floor of this House?

The Honourable Sir John Thorne: No fresh conclusion.

Diwan Chaman Lall: May I take it that the Government of India do not intend to recommend the stoppage of any further recruitment as evidenced by these questions and answers?

The Honourable Sir John Thorne: Yes, Sir.

Diwan Chaman Lall: Is it the intention of the Government of India to flout the opinion of this House?

The Honourable Sir John Thorne: Sir, I have replied to the questions so far as they asked for information. I suggest that my friend's present question is a piece of embroidery of his own manufacture on the previous question.

Diwan Chaman Lall: May I ask my Honourable friend whether it does not arise out of his own admission that the Government of India stand where they do, namely, that they are not prepared to budge an inch?

The Honourable Sir John Thorne: The question of flouting the opinion of the House is a matter of opinion. I do not admit that any action taken by the Government of India or any omission to take action is done with the intention of flouting the opinion of this House.

Diwan Chaman Lall: Is my Honourable friend prepared to accept the opinion of this House?

Mr. T. Chapman-Mortimer: On a point of order. Are all these questions and their replies in order? I suggest that they are not.

Mr. President: One question follows the other and the other question arises out of the reply.

Mr. T. Chapman-Mortimer: I suggest that the questions cast an inference which is contrary to Standing Orders.

Sjt. N. V. Gadgil: Are you finding the questions awkward?

Mr. Mann Subedar: Have Government considered that permitting of further passage of time and not having informed the Secretary of State of our wishes to keep this whole process in abeyance will result in the places being filled up and the matter being too late? Contracts will be made with the parties. Have you considered that?

The Honourable Sir John Thorne: We have considered that. If the present arrangements made by the Secretary of State are not changed by him that will be the result.

Shri Mohan Lal Saksena: I want to know whether the Government considered the position in the light of the adjournment motion passed by the House?

The Honourable Sir John Thorne: Yes, Sir.

Shri Sri Prakasa: Will the Honourable Member consider the desirability of Europeanising the lower service, especially those of the chaprassis and others?

The Honourable Sir Edward Benthall: On the point of admissibility of supplementaries, is it not correct parliamentary practice that an answer should be confined to the points contained in the question and that further supplementaries should be only such as are necessary for the elucidation of the answers already given?

Mr. President: That is the correct procedure. Order, order. Next question.

SLAUGHTER OF CALVES IN MILITARY DAIRY-FARMS

424. *Pundit Thakur Das Bhargava: (a) Will the War Secretary kindly state (i) the number of milch cows and buffaloes in the Military Dairy Farms in India, and (ii) and number of calves (cow and buffaloes) with the dams?

(b) Is it a fact that the calves are slaughtered as soon as they are born or within a fortnight of their birth in these Military Dairy Farms in India? If not, are they nourished and allowed to grow?

(c) How are they subsequently disposed of? If they are auctioned off, what is the average age when they are auctioned?

Mr. P. Mason: (a) (i) On the 31st December 1945 the total number of milch cattle in Military Farms in India was approximately:

Milch Cows	4,831
Milch buffaloes	53,950

(ii) It is not the practice on Military Farms to rear calves with their dams. They are weaned at birth. On the 31st December, 1945, there were, however, in Military Farms the following number of young stock:

Cows	3,799
Buffaloes	8,404

(b) and (c). No, Sir. In those Provinces in which legislation prohibits the slaughter of male and female cow calves and female buffalo calves no such calves are slaughtered except a small proportion (considerably less than 1 per cent.) which have to be destroyed on veterinary advice. All normal healthy calves are nourished and allowed to grow. In Provinces where slaughter is allowed by law, the majority of male calves, and a percentage of female calves depending on the demand for meat and the availability of feeding grains are slaughtered to provide meat. Surplus calves are either given away free of charge when 14 days old to anyone who certifies that he does not intend to slaughter, or alternatively they are sold by private treaty or public auction, whichever is more advantageous to the State, at any age whenever a suitable

market offers. The same applies in other Provinces to those which are not slaughtered for meat.

Seth Govind Das: With respect to clause (b) of the question, will the Honourable Member enquire as far as the Jubbulpore Military Dairy goes, that all the calves are slaughtered?

Mr. P. Mason: It is not a fact.

Seth Govind Das: Will the Honourable Member make enquiries?

Mr. P. Mason: That all the calves are slaughtered in Jubbulpore?

Seth Govind Das: Most of the calves are slaughtered.

Mr. P. Mason: May I ask the date of his information?

Seth Govind Das: Most recent. Up-to-date.

Mr. P. Mason: I will make enquiries but I think it will prove to be not a fact.

Mr. Manu Subedar: May I know why the total number of cows has come down and what if any steps the military people are taking to increase the number and to provide good breed?

Mr. P. Mason: The object, Sir, is to provide milk of the best quality and it does not necessarily follow that if you increase the number of cattle you improve the quality or quantity of the milk. As my friend will notice in the *Hindustan Times* this morning, there are recommendations with regard to the defects in India's milk production system in which it is stated that one of the first essentials to a healthy milk industry in India is to reduce the cattle population from 219 million to 140 million. That is the principle which we follow in the military dairies.

Mr. Manu Subedar: That does not refer to the cows held by the military. My Honourable friend has entirely missed my point. At present the Military Department get the very best animals available in the private market and denude private ownership of these animals. Should not one expect, from the Military Department at all events, who claim to be well organised, that they will set up breeding process and provide their own cows and provide a little surplus of the better breed for the public?

Mr. P. Mason: I think that is a question for the Agricultural Department rather than for the War Department. We maintain cattle in order to feed our own people.

Mr. Manu Subedar: This is a case of lack of co-ordination between the various departments. I again enquire whether the Military Department will not make a special effort not only to breed the animals for themselves but to create a surplus of better breed to be made available for the civilian population, instead of raiding the civil population's stocks for the best animals that they have.

Mr. P. Mason: Sir, I do not admit that we raid the civil market for the best cattle but I will certainly inquire into the possibility suggested by my Honourable friend.

Sreejut Rohini Kumar Chaudhuri: Is it not a fact that in certain military camps in Assam calves were sold according to their weight, the whole underlying idea being the quantity of meat that may be available from them?

Mr. P. Mason: Yes, that is what I said.

PROVINCIAL DEPUTATIONISTS IN CENTRAL GOVERNMENT SERVICES

425. ***Hafiz Mohammad Abdullah:** (a) Will the Honourable the Home Member please state whether he proposes to issue instructions to the various Departments to revert men with liens on posts in Provinces and other Departments and to keep on those with no permanent jobs?

(b) Is it a fact that some officers with liens have been given quasi-permanent jobs in the Supply Department and retained in the new organisation on a much higher pay than they would get in their own provincial jobs or jobs in other Departments?

The Honourable Sir John Thorne: (a) I do not think it necessary to issue instructions. Each case is decided on its merits with due regard to the essential needs of both the borrowing and lending Departments or Governments. The automatic reversion of such men from posts in which they have gained valuable experience would create administrative difficulties.

(b) No. Some officers borrowed from Provinces and other Departments are being retained in the Industries and Supplies Department (the late Supply Department) on a temporary basis. Some of these officers are getting higher pay because of the more responsible nature of their duties.

Prof. N. G. Ranga: Is the Honourable Member aware that many of these superannuated officers who have been given extension of service are most of the time sleeping in their offices?

The Honourable Sir John Thorne: Sir, the question does not relate to superannuated officers.

EXTENSION IN SERVICE TO SUPERANNUATED MEN

426. *Hafiz Mohammad Abdullah: (a) Will the Honourable the Home Member please state the policy of Government in the matter of extensions after the expiry of tenure on various jobs as well as extensions in service after the age of superannuation?

(b) Have Government evolved any policy now after the termination of the war different to what they followed in this respect during the war?

The Honourable Sir John Thorne: (a) and (b). An officer's tenure in a particular post is extended only if it is administratively essential, or a suitable substitute cannot immediately be found. No change of policy is required.

As regards retention after the age of superannuation, the Honourable Member's attention is invited to the reply I have just given to Mr. Manu Subedar's question No. 414.

Sri M. Ananthasayanam Ayyangar: If any of these superannuated men have been taken or retained in service only for the duration of the war, may I know what steps have been taken to send them away, now that the war is over?

The Honourable Sir John Thorne: That question is covered by my answer to another supplementary question. Each case is examined on its merits and with regard to the circumstances of the department concerned.

Sri M. Ananthasayanam Ayyangar: May I know whether at the time these extensions were granted, they were granted for short periods or indefinitely to be terminated at will?

The Honourable Sir John Thorne: Ordinarily one year at a time.

ECONOMIC ADVISER TO GOVERNMENT OF INDIA

427. *Prof. N. G. Ranga: Will the Honourable the Finance Member be pleased to state:

(a) for what period the Economic Adviser was appointed;

(b) when it is likely to come to an end;

(c) whether any steps are being taken to secure the services of an Indian economist to take his place, when he goes to England, or whether Government are contemplating the extension of the term of the present Economic Adviser; and

(d) whether Government are aware of the censure motion passed by the Assembly when he was appointed?

The Honourable Sir Archibald Rowlands: With your permission, Sir, I propose to answer questions 427 and 428 together.

These questions have been transferred to the Commerce Department and my colleague, the Commerce Member, will reply on the 25th and the 28th instant respectively.

RECOMMENDATIONS OF THE SALT SURVEY COMMITTEE

†428. *Seth Sukhdev: (a) Will the Honourable the Finance Member be pleased to state if:

(i) as a result of the recommendations of the Salt Survey Committee West Coast factories have incurred their output of salt from 220,000 tons to 470,000 tons per annum;

(ii) 80 per cent. of the salt requirements of Bengal and adjacent markets can now be supplied by the salt works on the West Coast of India;

(iii) the Government of India's most recent import allotments of salt for the six months January/June 1946 were: Aden 91,000 tons, other areas (Middle East) 21,000 tons, and Indian salt manufacturers only 68,000 tons; and

(iv) this programme has been temporarily suspended owing to the large accumulations of salt in Bengal due to excessive imports from foreign countries in 1944 and 1945?

(b) Do the Government of India propose to ensure the maximum use of Indian salt production for Bengal and adjacent Provinces by:

(i) restricting the issue of licences for the importation of salt from Aden; and

(ii) discontinuing altogether imports from other foreign sources?

WARRANTS AGAINST UNDERGROUND POLITICALS

429. *Sri R. Venkatasubba Reddiar: Will the Honourable the Home Member be pleased to state:

(a) the number of underground politicals against whom warrants are pending;

(b) if Government have taken any action to recall or cancel the warrants of all such politicals; and

(c) if so, the time that will be taken for cancelling or withdrawing them, and, if not, why not?

The Honourable Sir John Thorne: (a) So far as the Central Government and the Chief Commissioners are concerned, there are no such warrants pending.

(b) and (c). Do not arise.

Shri Sri Prakasa: Does the Honourable Member intend to withdraw the warrant against the one individual he was referring to?

The Honourable Sir John Thorne: I said "none".

Prof. N. G. Ranga: Have Government instructed the Provincial Governments to withdraw the warrants against these underground politicals?

The Honourable Sir John Thorne: I think not.

Sri M. Ananthasayanam Ayyangar: May I know if the Honourable Member has taken any steps to ascertain what the number of underground politicals are against whom warrants issued by the Provincial Governments are pending?

The Honourable Sir John Thorne: No, Sir.

Sri M. Ananthasayanam Ayyangar: Why not, Sir? There is a separate department of Information, the Honourable Member in charge of which is sitting to the right of the Honourable the Home Member and there are various other departments of information too. What then is the business of the Government of India? What reasons have they for not collecting this information?

The Honourable Sir John Thorne: The reason is quite simple: the matter is not primarily the concern of the Governor General in Council.

Sri M. Ananthasayanam Ayyangar: Sir, the Government of India are responsible for the peace and tranquillity of India as a whole. This is not a matter of individual cases here and there nor the chance act of the police administration in a particular province. It affects the whole of India and therefore the Honourable Member must gather this information. There are precedents in the past where Home Members have been giving information with respect to politicals all over India.

Lt.-Col. Dr. J. C. Chatterjee: The Honourable Member is making a speech.

Sri M. Ananthasayanam Ayyangar: The Home Member does not object, what is your objection? Sir, may I refer to Ruling No. 327 regarding "Refusal to answer: Reasons to be given". It reads:

"When a Government Member refused to answer a particular question, the Chair generally presumed that it was because it was not in the public interest to answer the question. But it is due to this House that an Honourable Member of Government, refusing to answer a particular question, should indicate the ground on which he refuses."

Sir, the information I am seeking is due to us and it is of public interest.

Shri Sri Prakasa: Say it is not in the public interest and be done with it.

Diwan Chaman Lall: How can you expect him to tell a lie?

Mr. President: I am not inclined to say anything at present. I feel the question will require a little more consideration on my part. The ruling which has been quoted by the Honourable Member refers to disclosure of information. Whether the reason given for refusal to disclose information is a proper or improper one is a different matter on which the Chair cannot be expected to give a ruling. The reason which the Honourable the Home Member gave was that it was not the primary concern of the Government of India. I do not think I can sit in judgment on the propriety of the reason given: it is outside the scope of the functions of the Chair. Assuming that the reason given is improper, I do not think the Chair could go into that question. That is how I look at it at present but I shall consider the question later on.

Sri M. Ananthasayanam Ayyangar: I am much obliged to you, Sir, for your promise to consider it later. Only one more point I would submit, Sir, and that is the ground whether it is the province of the Governor General in Council or not will have to be decided by you. Government should not take shelter under that excuse. Every thing has to be scanned carefully. You will kindly have that also in mind when you consider that aspect.

Shri Mohan Lal Saksena: May I put one more supplementary question, Sir? May I know whether the 1942 arrests were made at the instance of the Government of India?

The Honourable Sir John Thorne: That hardly arises out of this question.

Shri Mohan Lal Saksena: It arises because the warrants were issued at the instance of the Government of India and these warrants should be withdrawn. The Government of India should advise the Provincial Governments.

Mr. President: That will be a matter of argument.

(b) WRITTEN ANSWERS

RELEASE OF POLITICAL PRISONERS IN UNITED PROVINCES

430. *Sri E. Venkatasubba Reddiar: Will the Honourable the Home Member be pleased to state:

(a) if he is aware that a political prisoner in the Central Provinces, Maganlal Bagri, has been sentenced in all to a term of eighty years, that he is suffering from acute T.B., and that he is likely to die shortly if not released immediately;

(b) if he is aware that in the United Provinces also there are a number of political prisoners with terms of imprisonment varying from forty to fifty years and that all of them are suffering from various diseases and are not properly attended to; and

(c) if he proposes to consider the desirability of their immediate release?

The Honourable Sir John Thorne: (a) and (b). I have no information.

(c) Their release is a matter for the Provincial Governments.

EXCISE DUTY ON BETEL NUTS

431. *Sreejot Rohini Kumar Chaudhuri: Will the Honourable the Finance Member be pleased to state:

(a) in what Provinces the excise duties on betel nuts have been levied, and from what year;

(b) the total amount of excise duties in each of these Provinces year to year, and the method of assessment in different Provinces;

(c) if it is a fact that in the Province of Assam taxes are levied both on nuts and shells unlike the other Provinces, as a result of which the betel nut growers in Assam are to pay at a rate which is double the rate prevailing in other Provinces; and

(d) whether Government have received any representation protesting against the levy of such excise duties on nuts; if so, what action has been taken on such representations?

Mr. B. C. A. Cook: (a) The excise duty on betel nuts was imposed in British India with effect from the 1st April, 1944. The provinces in which betel nuts are produced, are Assam, Bengal, Madras, Bombay, and Coorg.

(b) A statement showing the annual revenue collections on betel nuts in each of these provinces is placed on the table of the House.

The method of assessment is the same in all provinces: nuts with husk are assessed on the estimated weight of the kernel only; nuts without husk are assessed on the actual weight of the nuts at the time of assessment.

(c) No.

(d) I presume that the Honourable Member has in mind the levy of excise duty on the weight of both nut and husk. In view of what I have stated in part (b), no such complaint can now arise.

BETEL NUTS

Statement of revenue collections in provinces for 1944-45 and 1945-46 (uptil January 1946)

Province	1944-45	1945-46 (till January)
<i>Bombay</i>		
Bombay	16,91,300	16,92,000
C. P. and Berar	Nil	Nil
<i>Calcutta</i>		
Bengal	69,53,000	96,77,000
Assam	3,44,000	4,77,000
Orissa	Negligible	Negligible
<i>Madras</i>		
Madras	42,10,309	32,95,081
Coorg	2,491	5,283
Total	1,32,01,100	1,51,46,364

EXPENDITURE INCURRED ON BEHALF OF HIS MAJESTY'S GOVERNMENT

432. *Sjt. N. V. Gadgil: (a) Will the Honourable the Finance Member please state his estimate about the expenditure to be incurred in course of the next financial year, i.e., 1946-47, on behalf of His Majesty's Government in this country?

(b) Has he any proposal before him to treat on a separate footing all the expenditure incurred and to be incurred in this country on behalf of His Majesty's Government after the cessation of hostilities in August 1945?

The Honourable Sir Archibald Rowlands: I would ask the Honourable Member to await my Budget Speech.

BROADCASTING OF PROCEEDINGS OF CENTRAL LEGISLATIVE ASSEMBLY

433. *Pundit Thakur Das Bhargava: (a) Will the Honourable Member for Information and Broadcasting kindly state if he is aware that loud-speakers, have been installed outside the Legislative Chamber at Lucknow in the United Provinces and that the proceedings of the Assembly are broadcast to the public outside?

(b) Do Government propose to consider the advisability of making a similar arrangement for the Indian Legislature at New Delhi?

The Honourable Sir Akbar Hydari: The question should have been addressed to the Honourable the Leader of the House. It has accordingly been transferred to the Final List of starred questions for the 28th February, 1946, when it will be answered by the Honourable the Leader of the House.

RELEASE OF MR. JAI PRAKASH NARAIN

434. *Shri Satya Narayan Sinha: (a) Has the attention of the Honourable the Home Member been drawn to the news that appeared in the issue of the *Hindustan Times* on the 5th February, 1946, that the Bihar Government have recommended to the Central Government for an early release of Jai Prakash Narain and other detenus in Bihar?

(b) Will the Honourable Member be pleased to state when they are going to be released?

(c) Is it a fact that the ban on Socialist and Forward Bloc parties is going to be removed? If so, when?

The Honourable Sir John Thorne: (a) I have read the article.

(b) The case of Mr. Jai Prakash Narain is still under review. The other persons mentioned in the news item are not prisoners of the Central Government and it is for the Provincial Government to decide about their release.

(c) There has been no decision to remove the ban on the Forward Bloc. I have no information about removal of the bans on the Congress Socialist Party; their removal is a matter for the Provincial Governments which imposed them.

UNSTARRED QUESTIONS AND ANSWERS

TRAINING OF I.C.S. PROBATIONERS

45. Mr. P. B. Gole: Will the Honourable the Home Member be pleased to state:

(a) for how many years the scheme for training probationers for the I.C.S. at Dehra Dun has been in force; and

(b) the number of probationers so far trained at Dehra Dun?

The Honourable Sir John Thorne: (a) and (b). The scheme was in force at Dehra Dun for 4 years ending in August 1944 and during this period 69 Indian Civil Service probationers received their training.

TRANSFER OF INDIAN ARMY OFFICERS TO I.C.S.

46. Mr. P. B. Gole: Will the Honourable the Home Member please state:

(a) the number of Indian Army officers whose services have been transferred to the I.C.S.; and

(b) whether such officers have been permanently transferred to the civil side?

The Honourable Sir John Thorne: (a) and (b). No Indian Army officer has been transferred to the Indian Civil Service, either permanently or temporarily. The number of vacancies in the Indian Civil Service which are to be filled by the recruitment of persons with war service is 217.

The Honourable Dr. Sir M. Azizul Huque (Commerce Member): Sir, 12 Noon. yesterday my friend Sir Ziauddin Ahmed asked a question about the procedure regarding the grant of licences to imports. I had promised to look into the question. I have looked into it and have also discussed it with the Honourable the Supply Member. The procedure regarding the issue of textile machinery licences is that the Government of India in the Planning and in the Industries Departments first determines the regional quota in accordance with certain all-India policy. After that, every application for licence which is received by the Department concerned is forwarded to the Provincial Government concerned. It is on their commendation that the licences are issued. Therefore, if there is any complaint regarding the selection of a particular licensee for one purpose or the other, the responsibility lies with the Provincial Government.

Shri Mohan Lal Saksena (Lucknow Division: Non-Muhammadan Rural): Is it correct procedure, Sir, for the Honourable Member to supply the information today?

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): The net result is that most of these industries are really located in what I call non-Pakistan Provinces and they are all held by non-Muslims.

Mr. President: With reference to the point raised by Mr. Saksena, Sir Zieuddin wanted some further information over a supplementary question that had been asked and the Honourable the Commerce Member is giving the information because he had promised to give it.

Shri Mohan Lal Saksena: But it should have been given on the next day when the Honourable Member was to answer the next question. The Commerce Member was not to have answered questions today.

Mr. President: Perhaps the matter will be stale by that time.

Sri M. Ananthasayanam Ayyangar: (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): When he promises to give the information he cannot give an answer. He can collect the information and lay it on the table. The procedure is that when he gives the information at a later date he circulates it. Otherwise we have not been given notice and we cannot anticipate what he is going to say. It is not open for supplementary questions.

Mr. President: I shall consider it.

REPORT OF THE COMMITTEE ON BRETTON-WOODS AGREEMENT

The Honourable Sir Archibald Rowlands (Finance Member): I had hoped to be in a position today to present the Bretton-Woods Fund and Bank Committee Report. I am afraid I cannot present it today and hope that by tomorrow I will be able to present an interim Report.

Shri Sarat Chandra Bose (Calcutta: Non-Muhammadan Urban): Sir, I am not at all certain that it will be possible for the Committee to place their Report before the House tomorrow. There has been, I admit, a certain amount of delay. But the question before the Committee is a most important one and I may tell the House that considerable discussions have gone on during the last few days, and, in addition to the discussion among the Members themselves, there have been discussions between the Honourable the Finance Member and certain Members on this side of the House. It is not possible for me at this stage to tell the House in detail what has been discussed. The issues involved are major issues and we on this side of the House are trying to come to a decision on those issues primarily in the interests of India. I know that the Government of India in the recent past came to certain decisions regarding Bretton-Woods, and the plea put forward was that there was a date ahead. It is also said now that there is another date ahead, namely, a date for sending a person from here to attend a meeting which is fixed, I am told, for the 8th March. I recognize that in the past there was a date ahead and in the immediate future there is another date ahead. But the question is of such importance to the country as a whole that we cannot allow ourselves to be hustled into a decision. The main question which has to be decided is, what is in the interests of India and not what is in the interests of countries outside. In those circumstances, and, particularly, having regard to the fact that we do not find the Leader of the Muslim League Party or the Deputy Leader in the House, we find it difficult to come to a decision immediately. I would like the whole House to come to an agreed decision. You will appreciate, Sir, and I hope the House will appreciate, that in a matter of this kind a unanimous decision is most desirable. In those circumstances, I would suggest that, in the event of the Committee not being able to present their Report to the House tomorrow, a date subsequent to Saturday—a date suitable to the Government and the Opposition—may be fixed and the whole matter thrashed out. I thought it right, Sir, to tell you and the House that it may not be possible for us to come to a decision tomorrow.

Sir Mohammad Yamin Khan (Agra Division Muhammadan Rural): I think even if a Report is presented tomorrow it will not be fair to expect the House to discuss a matter of such vital importance immediately, that is, after receiving copies of the Report in the evening to come prepared in the morning and take part in the deliberations on these vital issues. It is even in the interests of the House and of the Members for fair and good debate and good expression of opinion that the discussion should not take place so soon. Members must have some opportunity to study properly what the Report is, what the implications are and what the Committee wants them to expect. And I quite agree with my friend the Leader of the Opposition that an opportunity must be given to the Muslim League Party also and that, when we have not got the Leader and the Deputy Leader present here and when many other Members are away from Delhi who are expected to arrive back here soon, they must also have an opportunity to see what is in the Report. Like him, Sir, under these circumstances, I feel that the debate should not take place on Saturday even if the Report is ready by tomorrow. Some other future date should be fixed.

Mr. Geoffrey W. Tyson (Bengal: European): On behalf of myself and the European Group I would like to say that we agree that the issues that are being raised are of a far-reaching and important character and that, if there is a possibility of a unanimous agreement, we would prefer that the debate should be postponed for some day, possibly till after the cut motions on the Budget are over.

Mr. President: The House seems to be almost unanimous.

The Honourable Sir Archibald Rowlands: I entirely agree that if the issues involved are to be considered carefully it would require notice to consider them. My colleagues on the Committee are sure to have discussion this afternoon. If the Report is presented tomorrow the House could discuss on Saturday one or two limited issues while the general questions can be considered afterwards.

Mr. Manu Subedar (Indian Merchants' Chamber and Bureau: Indian Commerce): With all respect, may I point out that the limited issue to which the Honourable the Finance Member refers is the despatch of a representative of India to the first meeting of the governors of the proposed Funded Bank. Now, some of us still hold that India ought not to join this Bretton-Woods fund and bank, and ought not to incur this responsibility and liability until there are certain assurances and explanations with regard to the larger problem of sterling balances. I am very anxious that we should help, but I really do not see how we can separate the issues as the Honourable the Finance Member wants and how the narrow issue could be immediately determined. In joining the Bretton-Woods the Government acted on their own responsibility and they acted with the assistance of an Ordinance. If this Government desires, pending a decision of this House on this subject, to act on their own responsibility, it is their look-out, but I am afraid it would be very difficult, with all the willingness in the world to help, for us to separate the issues and to narrow down and to submit a report only on a small issue as to whether this gentleman representing India should go from here or not. This is a very real difficulty, I assure the House and I fear it will not be possible to separate the issue as such.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I did not want to intervene, but as two Members of the Committee have already spoken, I express my view point. As regards the main issue. I think there is little difference of opinion; but our differences are vital on subsidiary questions; for example, our sterling balances. As far as I am concerned I would not agree till I am assured that the sterling balances are not utilised for the benefit of a small community of billionaires but they are utilised for the benefit of the people of India as a whole

Mr. President: The Honourable Member need not go into the merits

Dr. Sir Zia Uddin Ahmad: But it has been raised on the floor of the House and I must reply on my behalf. I have seen from the statement made by the

Finance Member that the whole of the sterling balances have been used in such a manner that the Mussalmans have not been benefited . . .

Mr. President: Order, order.

Shri Sarat Chandra Bose: May I add a few words to what I have already said? I am sure it is appreciated on all sides of the House that the question we have to deal with is a big one, and I may add, an intricate one. I do not think it is possible to deal with it piecemeal. This side of the House, I mean the Non-Official Members, have to be satisfied and satisfied thoroughly that what they are being asked by the Government to do today is in the interests of India; and, therefore, I think, if more time is given at this stage for a full discussion, it would save time in the long run. In these circumstances, I would suggest that the matter should not be hurried through. It is a most important matter—one of the most important matters that have ever come before this House. I would, therefore, suggest that no one should be hustled and that opportunity for full discussion among the Members of the different parties in the House should be given and that we should reach an agreement if we can.

Lt.-Col. Dr. J. C. Chatterjee (Nominated Non-Official): I merely want to ask for information, Sir whether on the specific narrow issue which the Honourable the Finance Member has referred to, it will not be possible for us to withdraw at any time, even if we send a governor to attend this meeting? I fully agree that the matter is of very great importance, but it has not been said that we are definitely going to refuse participation. What I want the Honourable the Finance Member to say is whether by sending a governor we are absolutely committed to participation, and whether it is necessary that a decision be taken on Saturday whether this member has to be sent or not, and also if that decision is not taken on Saturday it will be too late for India to participate in it.

Diwan Chaman Lall (West Punjab: Non-Muhammadan): In answer to what my learned friend has said, may I remind him that as far as I can recall the decision of the House was that, pending the report of the Committee that was going to be set up, no further commitments should be made or action taken. If that is the position, I submit that the Committee itself would not be doing the right thing to take action which would commit his House, after the passing of that Resolution; and, therefore, as the Honourable the Leader of the Opposition has stated it is a very big issue, and nothing would be lost by waiting to get a complete discussion, and nothing would be lost by consulting all Parties before arriving at a final decision.

Mr. President: I think the matter has been sufficiently debated. So far as the importance of the matter is concerned, there seems to be no difference of opinion. What I feel troubled about is as to what will be the effect if a decision is not taken before a certain date. If that automatically means a negative vote of the House on the question of Bretton Woods, the situation might be perhaps complicated. But I have no idea of the merits. It is necessary to my mind that the fullest opportunity should be given for a discussion, and looking to the trend of opinions expressed I think it will not be possible to take the limited issue out of the wider question. That is what I clearly feel, and whatever the hopes of the Finance Member may be, I feel almost hopeless on the question of his being able to submit a unanimous report upon the limited issue tomorrow.

The Honourable Sir Archibald Rowlands: Can we at any rate wait till tomorrow, because my friends have agreed to have a short discussion tonight before we finally decide?

Mr. President: But in any case another question also is clear from this discussion, that even if the report is presented tomorrow—the Honourable the Finance Member said it would be an interim report and not the final one—but even if that is so, I find that the general desire of the Non-Official Members is that the discussion should not take place on Saturday the 23rd instant.

The Honourable Sir Archibald Rowlands: Perhaps we may wait until we know the nature of the interim report and then decide

Mr. President: Then we shall decide tomorrow whether to sit on Saturday or not. Till then the question will be kept hanging.

Sir Mohammad Yamin Khan: In any case the report will not be made available to the Members till late in the evening.

The Honourable Sir Archibald Rowlands: No; it will be available in the morning.

Mr. President: That point was clarified yesterday: he said he would keep the press working all night.

MERCHANT SEAMEN (LITIGATION) BILL

The Honourable Dr. Sir M. Azizul Huque (Commerce Member): Sir, I move for leave to introduce a Bill to provide for the special protection in respect of civil and revenue litigation of serving merchant seamen.

Mr. President: The question is:

"That leave be granted to introduce a Bill to provide for the special protection in respect of civil and revenue litigation of serving merchant seamen."

The motion was adopted.

The Honourable Dr. Sir M. Azizul Huque: Sir, I introduce the Bill.

INDIAN TRADE UNIONS (AMENDMENT) BILL

The Honourable Dr. B. R. Ambedkar (Labour Member): Sir, I move for leave to introduce a Bill further to amend the Indian Trade Unions Act, 1926.

Mr. President: The question is:

"That leave be granted to introduce a Bill further to amend the Indian Trade Unions Act, 1926."

The motion was adopted.

The Honourable Dr. B. R. Ambedkar: Sir, I introduce the Bill.

INSURANCE (AMENDMENT) BILL

Mr. President: Further consideration of the Bill to amend the Insurance Act, 1938, as reported by the Select Committee.

The Honourable Dr. Sir M. Azizul Huque (Commerce Member): Sir, I understand that there is a certain amount of discussion going on among the Congress Party as to the desirability of the amendment under discussion; and it is hoped, as the Honourable the Leader of the Opposition informs me, that there is a chance of a unanimous agreement, in which case the debate is likely to be very much curtailed; and I have been requested to place before you that we may proceed with the rest of the Bill leaving clause 20 for a later stage; the understanding is that this clause 20 will have first priority on the day when the Railway Supplementary Demands will be discussed, so that we can finish that clause first.

Shri Sarat Chandra Bose (Calcutta: Non-Muhammadan Urban): The suggestion I made this morning to the Honourable Member in charge of the Bill is this—to allow consideration of clause 20 to stand over until the next convenient official date. As you must have felt from the debates that took place on the last occasion, there is some difference of opinion between the Treasury Benches and certain members on our side and I was asked to give my views on the matter in difference. I think after a discussion of the different points of view it is possible to come to an agreed conclusion regarding clause 20. In the circumstances, I support the suggestion to postpone consideration of this clause till the 28th. The other clauses may be disposed of in the usual course.

Mr. President: Mr. Abdur Rahman Siddiqi was in possession of the House. In view of the proposal to postpone consideration of clause 20 to the 28th, instant, does he wish to continue his speech?

Mr. Abdur Rahman Siddiqi (Calcutta and Suburbs: Muhammadan Urban): As you command Sir. I can wait till the 28th although it will be too late. If an amicable settlement is arrived at in the meantime, I may not speak at all. If they do not arrive at a settlement, then I will humbly request you to allow me to speak.

Mr. President: The Honourable Member will certainly have his say whether there is a unanimous conclusion or not. We shall take up the consideration of clause 20 on the 28th and proceed now with the other clauses.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): I wanted to take part in the discussion and I should certainly have been here if I had known that the Bill would be taken up on the 19th. The Standing Order says that the Report of a Select Committee shall be laid on the table of the House for seven days and as it was presented on the 14th, I did not expect it will come up before the 21st. I do not know whether you allowed the Standing Orders to be waived.

Mr. President: The Honourable Member's question is the result of his absence. In view of the arrangement about the Bretton Woods report and the fixing of Saturday or Thursday in the alternative, that is today, for the discussion of that report, it was the desire of the House that this Bill should be taken up and I therefore waived the notice.

Clause 21.

Sri M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, I move:

"That in sub-clause (c) of clause 21 of the Bill, in the proviso to the proposed sub-section (2A) of section 40, after the word 'lapsed' the words 'or has acquired a surrender value and is kept alive to the extent of the paid up sum insured' be inserted."

May I explain the original clause 1 and my amendment. What is said is that in cases where for non-payment of premia a policy lapses and it is revived not by the original agent but some other agent takes it up if the original agent even after notice commits default and is indifferent about it, it is to the company's advantage as also to the assured's advantage to see that the lapsed policy is revived. Whoever is the new gentleman who helps in reviving that policy does not get any premia now. The clause of the Bill enables the insurance company to give 50 per cent. of the premia which the old agent would get if he should continue the policy. That is the Bill as it stands.

My addition is this. Under the Act of 1938, policies can lapse only if they are below three years of age. Policies after 3 years cannot lapse under the Act of 1938. They have acquired a surrender value and they continue to be in existence. The surrender value alone they will be entitled to at the time when the policy matures in the normal course. This clause does not refer to the agents who take interest in reviving or in restoring such policies. I want the benefit of this clause in the Bill to be extended to such policies also. Otherwise the benefit will be narrowed down only to the few cases where within three years after a policy is taken the policy is allowed to lapse. That is my object. It does not contravene the purposes of the clause of the Bill but only tries to enlarge the scope of that clause in the Bill. I move.

Mr. President: Before I put the amendment, I would invite the Honourable Member's attention to the fact that the word 'lapsed' occurs twice in the section. So, he should add after 'lapsed' "where it occurs for the first time".

Sri M. Ananthasayanam Ayyangar: Yes, Sir.

Mr. President: Amendment moved:

"That in sub-clause (c) of Clause 21 of the Bill, in the proviso to the proposed sub-section (2A) of section 40, after the word 'lapsed' where it occurs for the first time the words 'or has acquired a surrender value and is kept alive to the extent of the paid up sum insured' be inserted."

Mr. L. S. Vaidyanathan (Government of India: Nominated Official): In spite of what my Honourable friend has said, I am afraid I will have to oppose this amendment. He might remember that even at the Select Committee stage our position so far as this proviso was concerned was that we will take up an entirely neutral attitude and leave it to the two popular Parties of the House to decide whether or not they will have this proviso. As a matter of fact, I have received several telegrams from agents saying that it will be injurious to their interests and with much of what they say I am in sympathy. I will read only one:

"Section 2A, clause 21 of proposed Insurance Amendment Act 1946, must be deleted. If passed shall create innumerable difficulties. Agents will induce ignorant policyholders and especially relative to lapse policies temporarily. Shall increase lapse ratio. Same policies will be several times revived by different agents. Shall create complications for insurance companies."

With much of this I am in agreement. This new clause was put in as a sort of a compromise because some insurance interests wanted it and we agreed although there has since appeared considerable opposition. My Honourable friend wants this privilege to be extended to policies which get lapsed, even after they have been in force for three years when they have acquired what is called a paid up value. Sir, in a policy that has been in force for three years or more the life assured himself has put in sufficient money and as soon as his financial condition improves, he will be more anxious than anybody else to revive the policy. So, it will require very little work for the new agent to induce the policyholder to revive the policy. In case, he fails to revive, the financial condition of the life assured is so bad that he cannot revive it at all. So, Sir, in most cases of revival, the life assured himself will revive it and a new agent does not put in sufficient work, if at all, to entitle him to any remuneration. As I have read out to you, Sir, the complications that have been pointed out would be substantially enhanced if larger remuneration is paid and on this ground, the Government must oppose this amendment. As a matter of fact, had there been any proposition before the House for the deletion of this proviso, we would at least have kept neutral and possibly might have even supported it.

Sri M. Ananthasayanam Ayyangar: May I reply, with your permission, Sir? I submit, Sir, I was deceived by the Honourable Member's clause in the Bill. I thought if it was expedient, he would have consulted all the interests and made this provision in clause 21. He read out certain telegrams sent to him protesting against this very clause in the Bill. If so, he need not have included that clause in the Bill at all. Even now he is half-hearted. He has not tabled an amendment to delete the clause. He might have said so in the Select Committee. But it does not appear in the Notes on Clauses or in the Select Committee Report. I only wanted to enlarge the scope. If you start that way, you should do it to the logical conclusion. That is why I tabled this amendment, not with a view to go against the wishes of the framers of the Bill so far as that clause is concerned. If he is willing, that clause may be deleted. I am equally willing. Let there be no half-hearted measure so far as this Bill is concerned. If he wants this clause to stand, then this is one way of enlarging it. But I do not want to press this amendment. Let him make up his mind and tell us.

The Honourable Dr. Sir M. Azizul Huque: We have already informed the Honourable Member our attitude. So far as this clause is concerned, we made our views quite clear also in the Select Committee. My Honourable friend's amendment will actually aggravate the supposed danger which some people think there is in that clause. It is for that reason that we cannot possibly accept the amendment which the Honourable Member tabled.

Sri M. Ananthasayanam Ayyangar: I beg leave to withdraw my amendment. The amendment was by leave of the Assembly withdrawn.

Mr. President: The next amendment is in the name of Pandit Govind Malaviya.

Mr. T. Chapman-Mortimer (Nominated: Non-official): Sir, I rise to a point of order. I received a copy of this amendment last night at a very late hour. I

should like in this connection to draw your attention to Standing Order 46 which rules that two days notice must be given of an amendment. This is a very technical Bill and amendments coming in at the last moment may not be easily considered.

Mr. President: The Chair has got a discretion in the matter and ordinarily where there is time enough to circulate amendments to Honourable Members, it will be done as quickly as possible. It may sometimes be a bit late in cyclo-styling. The general policy I should like to follow will be in favour of amendments being allowed rather than being rejected on the technical ground of want of notice. The idea is to have the best possible legislation and a little discussion of new suggestions need not necessarily be debarred on the ground of strict technicalities. Of course, each case, I need not say, will have to be judged on its own facts.

Sri M. Ananthasaynam Ayyangar: In this case, there is a disability which was not anticipated before. Both my Honourable friends, Mr. Govind Malaviya and Shri Sri Prakasa, had gone into the provinces for other purposes and they did not expect that the day would be curtailed for presentation of the Select Committee Report. I had to send urgent message and as soon as my friend got the message, he came here by the next morning and tabled the amendment. If the time table could be advanced so far as presentation of Select Committee Report is concerned, equally there is no harm in retarding it.

Mr. President: That was no reason for sending late notice of the amendments.

Pandit Govind Malaviya (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): Sir, my Honourable friend has anticipated me and explained my difficulty. I was given to understand that the Bill would be taken up on the 21st only. But that is not relevant now.

Sir, I beg to move:

"That in sub-clause (c) of clause 21 of the Bill, in the proviso to the proposed subsection (2A) of section 40, the word 'half' occurring in the ninth line be omitted."

Sir, I have not much to say about this because I hope there will be easy agreement on this point. This clause of the Bill proposes to allow a certain amount of commission to any Agent who may revive a lapsed policy. I take it, therefore, that the principle, namely, that if an Agent helps to revive a policy which had lapsed, if an Agent works to that end and succeeds in getting the lapsed policy revived, he should be paid some remuneration for that work. When that principle has been conceded, I do not see why only half the commission that was originally payable to the first Agent should be paid to this Agent. I do not know, Sir, why this has been done. Obviously, the only purpose behind this word 'half' can be to save that much of expenditure for insurance companies. I happen to be associated with the management of a humble insurance company. From the point of view of insurance companies, it should be advantageous to get business at only half the cost, indeed at no cost, to give nothing to the agents, to give nothing to others. They should be very happy to do that.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): And pocket the whole money yourself.

Pandit Govind Malaviya: I wish the Honourable Doctor would bear with me. Sir, that would no doubt benefit insurance companies. But, Sir, just because the thing happens to be advantageous to me, it should not be possible for me to suggest that it should necessarily be done, even though it might involve an injustice to another. The Agent of life insurance business, in my eyes, is a very very important and useful member of society. I think there can be few others who are more maligned and looked down upon in this country, than life insurance agents. Yet, with all that opprobrium, and, I might say, insult that he puts up with, he carries on his profession, and I suppose all honourable men carry on some profession or other to earn their livelihood. Therefore, it is the agent, I believe, who renders social service which nothing else can equal. For

[Pandit Govind Malaviya.]

a man of that type, when he works and revives a policy which had lapsed, in other words, when he re-covers the risk for a man's dependents and family, that he should not be paid what originally was being paid to another agent, that to my mind is unjust. It is true that by this, the insurance companies will be able to save a little money. But, there will be another difficulty; the result will be that many agents will not bother about it, and old policies will not be revived. I submit that since the principle has been accepted that an Agent who revives the policy should be given a commission, I see no reason why he should be deprived of half of that right, and therefore, I submit that this word 'half' should be deleted. I hope this proposal will find a ready acceptance at the hands of the insurance department.

Mr. President: Amendment moved:

"That in sub-clause (c) of clause 21 of the Bill, in the proviso to the proposed subsection (2A) of section 40, the word 'half' occurring in the ninth line be omitted."

Mr. Abdur Rahman Siddiqi: Sir, the Honourable Member has argued against himself. Commission means payment for services rendered. The original agent brought in a new client to a company and then he slept over the policy, with the result that it became dead. Here is a Messiah who comes and puts new life into it. He will not do it unless he is paid for the service he has rendered. But as he has not rendered a hundred per cent. service, the original man having brought in the policy, he is given a correct and legitimate remuneration for the little service he does, which has been fixed at 50 per cent. It is not unjust and in my view it is quite fair. Secondly, Sir, what will happen to the balance? That there is a legitimate question: Whether the insurance company will give it back to the life fund or whether the company will swallow it in its profits? My own view is that the remaining 50 per cent. will go to the Life Fund. The particular agent may not get the remaining 50 per cent., but all the policyholders will get the benefit of this. I consider this to be a very fair arrangement.

Mr. L. S. Vaidyanathan: Sir, we oppose it on the ground that the remuneration should be half and nothing more or nothing less. As a matter of fact much of the work is done at the time when the agent find out the prospective policyholder and canvasses him. The remuneration for that is the entire first year's premium and also part of the renewal premiums. The agent who revives a lapsed policy has substantially much less work to do than the original agent, and therefore that part of the remuneration which is based on the renewal premium for the original work done he is not entitled to. It is impossible to weigh the remuneration payable on revival with a golden pair of scales, but the remuneration should be less than half, and by putting it at half we err on the side of generosity.

Sri M. Ananthasayanam Ayyangar: Sir, I submit that there is a fallacy in the arguments of both my Honourable friend who spoke just now and my Honourable friend who preceded him. As I remarked on the amendment which I moved and withdrew, this enabling provision refers only to policies which are three years old and below. Therefore, the trouble that the first agent takes is not very different from the trouble the next agent has to take within a period of three years. Further, the first agent who brings in the policyholder takes 40 per cent. of the first year's premium, and my Honourable friends know quite well that the first year's premium is out of all proportion to the subsequent renewal premiums. The commission on the first year's premium sometimes formerly amounted to 75 per cent, whereas on the renewal premiums his commission is less. It is not the same amount of commission that he gets on the renewal premiums as he gets on the first year's premium.

Mr. L. S. Vaidyanathan: What is the 75 per cent. that my Honourable friend referred to?

Sri M. Ananthasayanam Ayyangar: His commission used to come to even 75 per cent. on the first year's premium.

Mr. L. S. Vaidyanathan: It is limited to 40 per cent.

Sri M. Ananthasayanam Ayyangar: And what is the commission on the renewal premiums?

Mr. L. S. Vaidyanathan: Five per cent. is the maximum.

Sri M. Ananthasayanam Ayyangar: The first year's commission is eight times as much as the renewal commissions. But a person who goes and revives a dead policy gets only half of it. The man who renews the policy or assists in renewing it is not placed in the same position as the one who starts it or induces the policyholder to take out the policy. That is the fallacy that I am trying to point out. The first man takes 40 per cent. by way of commission, but the person who revives gets half of this 5 per cent. He must at least get this 5 per cent. It is not very unreasonable. Within a period of three years the trouble that one man has taken is not less than the trouble taken by the other man. If within three years the man commits a default it is as good as inducing him to take out a policy for the first time if revived. Therefore half will be too inadequate and he must get the full percentage.

Secondly, my Honourable friend raised a doubt which I had in my own mind. If the policy is dead there is no renewal premium subsequently paid and no question of renewal commission arises. But if it is revived and only 50 per cent. of the renewal commission is paid to the new agent, where does the balance of 50 per cent. go? There is no provision in the Act which says that it shall go only to the life fund or that it shall not be distributed as profits. So instead of this being divided as profits among the shareholders let it be taken by the agent who does all the field-work, and who has also to see that no more default is committed. There is no provident fund of any kind so far as this kind of persons are concerned. I agree that the original agent should get 50 per cent., but in spite of a notice to him he is indifferent and does not take any steps to have the policy revived, in such circumstances the original agent is not entitled to it but the new agent is entitled to the whole. The company should not get the advantage of the balance or make any profits out of it; it would be a sort of unearned income. I submit, Sir, that this 50 per cent. should be raised to 100 per cent.

Mr. Muhammad Nauman (Patna and Chota Nagpur cum Orissa: Muhammadan): Sir, I oppose this amendment. The reasons for my view have been ably given by my Honourable friend, Mr. Siddiqi. My Honourable friend, Mr. Ayyangar, says there is a fallacy in the suggestion that the new agent should get only half of the commission. The position is that the duties of the man who revives the policy is certainly less than 5 per cent. of the work done by the original agent. He only advises the policyholder that by allowing the policy to lapse he has been a loser, and if he can convince him that financially he would gain that would be enough to renew the policy.

Then about the allocation of the fund it is not clear in the Bill. My Honourable friend, Mr. Siddiqi, said that the chances are that it will go to the life fund. In that case it is more advantageous if it should go to the policy-holders than to the agent. For these reasons I oppose the amendment.

The Honourable Dr. Sir M. Azizul Huque: Sir, I think the point has been sufficiently debated. One cannot have an absolutely fine scale in human life so as to exactly find out the value of men's work; and so all this argument of 5 per cent. and 40 per cent. as regards services is slightly beside the point. Unfortunately my Honourable friend, Mr. Ayyangar, has been trying to find out the fallacy of arguments but has fallen into a gross fallacy himself. The very fact that the legislature intended that 40 per cent. should be the commission of a man for the first year and 5 per cent. for the renewals shows a realisation of the amount of work which the original man has to do in order to get the policy for the company. My Honourable friend will realise that an agent who

[Dr. Sir M. Azizul Huque.]

has to do it has not merely to find out; he has to select the man, then go to him—how many times is known to agents themselves—before he can get him to insure his life. Then the second man goes. All he does is 'go to office, find out which is the lapsed list and take it and go to him'. It makes a good deal of difference.

Sri M. Ananthasayanam Ayyangar: May I submit that the Bill contemplates a case where a medical examination has to take place and it is only in such cases that the other man is given 50 per cent. Therefore the trouble with respect to this man is as much as the trouble of the original man who gets only 5 per cent.

The Honourable Dr. Sir M. Azizul Huque: I did not know that getting a medical certificate was such a difficult thing. I thought that the first thing is not the medical certificate, but to get the man to agree to renew his policy and unless the man is either in such a solvent condition that he cannot possibly meet his demand or a fool, he will ordinarily renew it if he is able to do so. Having regard to this, it is not possible for us, specially in view of the opinions which have subsequently been received, to agree to expand the provisions of this section.

Pandit Govind Malaviya: Sir, may I say a word . . .

Mr. President: I do not think any reply is necessary now.

The question is:

"That in sub-clause (c) of clause 21 of the Bill, in the proviso to the proposed sub-section (2A) of section 40 the word 'half' occurring in the ninth line be omitted."

The motion was negatived.

Mr. President: The question is:

"That clause 21 stand part of the Bill."

The motion was adopted.

Clause 21 was added to the Bill.

Sri B. Venkatasubha Reddiar (South Arcat *cum* Chingleput: Non-Muham-
madan Rural): Sir, I beg to move:

"That in Clause 22 of the Bill in sub-section (2) of Section 41, for the words 'one thousand', the words 'five hundred' be substituted."

Sir, there is a penal provision prohibiting payment of rebate under section 41. Sub-section (2) of the section provides, as it now stands, punishment of Rs. 100 only. By this clause it is sought to raise it to Rs. 1,000, that is ten times the original provision in the Act. My amendment proposes to restrict the amount to five times, *i.e.*, Rs. 500 because if it is raised ten times it will create hardship and terror in the minds of people. Sir, I move the amendment for the acceptance of the House.

Mr. President: Amendment moved:

"That in Clause 22 of the Bill in sub-section (2) of Section 41, for the words 'one thousand', the words 'five hundred' be substituted."

The Honourable Dr. Sir M. Azizul Huque: I do not want to stand too much on this question of penalty. I leave this question to the decision of the House. We do not propose to oppose the amendment.

Mr. President: The question is:

"That in Clause 22 of the Bill in sub-section (2) of Section 41, for the words 'one thousand', the words 'five hundred' be substituted."

The motion was adopted.

Mr. President: The question is:

"That Clause 22, as amended, stand part of the Bill."

The motion was adopted.

Clause 22, as amended, was added to the Bill.

Clause 23 was added to the Bill.

Pandit Govind Malaviya: Sir, I beg to move:

"That in Clause 24 of the Bill, in the fifth line of the proposed Section 48A,—

(1) for the word 'any' the word 'the' be substituted; and

(2) the words 'for which he solicits or procures life insurance business', be added at the end."

The purpose of this section is that no life insurance agent who is securing any business of life insurance should be a director of any company. I wish to suggest that instead of having that sweeping disqualification we should say that he should not be a director of the company for which he solicits or procures that business. Sir, I move the amendment, and, if you will permit me, in my reply I will deal with any points which may be raised by any Honourable Member.

Mr. President: Amendment moved:

"That in Clause 24 of the Bill, in the fifth line of the proposed Section 48A,—

(1) for the word 'any' the word 'the' be substituted; and

(2) the words 'for which he solicits or procures life insurance business', be added at the end."

Mr. T. Chapman-Mortimer: Sir, this is really, if I may say so, an astonishing amendment. It seeks to allow a Director of life insurance company to do certain things on behalf of another life insurance company which is going to be denied to him in case of his own business. It is surely, Sir, a most improper thing that a Director of one company should be able to work for another company of exactly the same kind, and, as a matter of fact, it raises very much wider issues of law than the particular narrow issue which we are discussing now. I venture to suggest that my Honourable friend is under a misconception of the position in seeking to move an amendment of this kind and we in this Group would most certainly oppose it.

The Honourable Dr. Sir M. Azizul Huque: That is also my view so far as this amendment is concerned. That will cut across the whole texture of the Bill itself. The Bill wanted to do away with certain evils and if we allow an insurance agent of one company to go and, being an insurance agent of another company, be a director there, I think it will cut across the entire scheme of business of another company

Pandit Govind Malaviya: How?

The Honourable Dr. Sir M. Azizul Huque: You are not entitled to be a member of a certain institution and you go to another exactly the same institution and be a member there. That is wrong. What is the difficulty then for an insurance agent to be a director of his own company? Sir, the advice that we have received shows that this is a dangerous thing, and I very strongly oppose this.

Pandit Govind Malaviya: Nobody should be surprised at the suggestion which I have made because we find things like that going on very well and satisfactorily everywhere. It is said that a life insurance agent of one company cannot be a director of another company. This is obviously due to lack of knowledge of how life insurance business is carried on and how life insurance companies have to be managed. In a life insurance company, an agent procures business for the company on certain terms. He has to be guided and controlled by the administration—by the management of that company. To that extent, therefore, I am prepared to concede that because that agent will be in the position of an agent of the directors of that company and terms of business will be existing between the two, it might create a difficulty if the same person has a dual capacity of being the director, namely, the employer, as well as the agent, namely, the employee. To that extent I can understand that view point. But I do not see any difficulty, in his being a director of another insurance company. If a life insurance company has to be run successfully it has to look to three or four aspects of things. One set of people who contribute to the life insurance

business are the shareholders of a life insurance company. The others are the management. The third are the life policyholders and the fourth are the field force. As anybody, who has anything to do with the business

[Pandit Govind Malaviya.]

of life insurance will tell you, Sir, the field force of a life insurance company is no less important than any other section of the life insurance business. I do not think that any life insurance company can manage to go on unless it is able to keep in the most minute touch with the requirements, the difficulties and the viewpoints of the field force, namely, the agents. Therefore, the fact that a man has worked as an agent, enables him to know practical things about the insurance business and therefore he can help to guide the insurance business in a manner in which no other person can. I do not think that there should have been any occasion or any need for an amendment like this in any insurance legislation for the simple reason that anybody would understand that an agent of the same company would not like to be on its directorate. But, probably, the reason for this new section is that the Honourable the Superintendent of Insurance has had a certain experience in his own life of certain agents of his company trying to get on the directorate of that company; and, realising the practical difficulties, (I speak subject to correction) and probably frightened by that fact, he has brought forward this general clause. If that be so, I am prepared to agree to the extent of my amendment, *viz.*, that no agent can be a director in the company for which he works. To that extent, it will be a practical requirement. But, to ban all persons who have worked as agents, in other words all persons who have had a real experience of the work of life insurance, to lay down that no such person should be permitted to come upon the Board of Directors of any company will be a retrograde step which will really stand in the way of the progress of insurance, and I hope, therefore, that this House will not allow this sweeping ban to be put in and prevent people who have practical experience and the well being of the insurance business at heart, from being able to contribute their share to its progress and development.

Mr. President: The question is :

"That in Clause 24 of the Bill, in the fifth line of the proposed Section 48A,—

(1) for the word 'any' the word 'the' be substituted; and

(2) the words 'for which he solicits or procures life insurance business', be added at the end."

The motion was negatived.

Mr. President: The question is :

"That Clause 24 stand part of the Bill."

The motion was adopted.

Clause 24 was added to the Bill.

Clauses 25 to 48 were added to the Bill.

The Honourable Dr. Sir M. Azizul Huque: As clause 20 has been left over, we can leave the Preamble and Title of the Bill and Clause 20 for the next day.

Mr. President: Yes.

ELECTION OF MEMBERS TO DEFENCE CONSULTATIVE COMMITTEE.

Mr. P. Mason (Government of India: Nominated Official): Sir, I beg to move :

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official members to serve on the Defence Consultative Committee for the unexpired portion of the financial year 1945-46 and for the financial year 1946-47."

I do not wish to take up the time of the House for long in discussing this. I would like to recall the circumstances in which the Defence Consultative Committee was begun. It was in the spring of 1941, when the present War Member first came back to India as Commander-in-Chief that he expressed the desire to associate my Department more closely with the Legislature, or perhaps I should put it the other way round. At any rate, in order to know the views of the Legislature, he suggested that this Committee should be formed. Since then it has continued to function and has met every quarter.

It is not actually and legally a standing Committee of the House but for all intents and purposes it is governed by the same rules. I think that every provision of the rules for a Standing Committee has, in fact, been observed in managing the affairs of this Committee. I have just glanced at the subjects which will be laid before Standing Committees, and they are:

(a) All Bills introduced or proposed to be introduced by non-official Members and legislative proposals which the Department concerned intends to undertake and on which the Member, in charge desires the advice of the Committee;

(b) Reports on Committees and Commissions not including unpublished reports of departmental committees;

(c) Major questions of general policy on which the Member in charge desires the advice of the Committee;

(d) any other reports, and, with the approval of the Member in charge, any topic of public importance within the field of the Committee.

That is very wide and that is the line on which we have been working. I think if there are any Members present who have been Members of the Committee before, they will agree that every suggestion they have made for discussion has been met. We have discussed things with them very fully and freely and I think they would also bear tribute to the friendly and informal atmosphere in which these talks have gone on. They have certainly always seemed very friendly to me and we have very often been able to take the advice of the Committee and made improvements in our previous procedure.

Four subjects cross my mind, which we have discussed with the Committee. The Reorganisation Committee, India, discussed with the Committee practically every proposal that they had before them. There was a very long meeting lasting a day and a half on the proposals of the Reorganisation Committee alone. We also discussed the policy to be adopted with regard to the I. N. A. and that also was very helpful. Smaller points, but nonetheless very important, were also discussed. It was represented that a large number of young men who came forward for Commissions were unable to obtain commissions, because they had not had sufficient training in leadership and the formation of character. As a result of the recommendations in that respect put forward by the members of the Committee, the Commander-in-Chief decided to form a College at Nowgong, to which candidates were sent when they had appeared before a selection board and whom the Selection Board found to be not quite sufficiently developed in those characteristics and I am glad to say that the results of that College were magnificent. Practically every member after his course at the college was able to obtain a commission, having previously been rejected by the Selection Board.

Then there is the question of the Staff College. The Committee pointed out to us that the percentage of Indian officers who went to the Staff College was rather below the percentage to which they should be entitled on their comparative strength. The Commander-in-Chief took the view that not only should they have the full strength to which they were entitled on a proportionate basis but they should have a much greater proportion. It was thought necessary that as many Indian officers as possible should go to the Staff College. The number was raised to 47 out of a total of 84, which is more than 50 per cent.

There are a number of items to show the type of subjects discussed in the past but with regard to any items which members choose to raise, I think I can say that the Commander-in-Chief will be very glad to discuss them. If for any reason they cannot be discussed, he will explain the reason why.

There is just one other point. I see that there is an amendment to be moved to my motion changing the number from six to ten. There is of course, a certain number of members from the other Chamber. The previous number was ten. This will presumably raise the number altogether perhaps to 15. But if the House wishes that, I certainly would not oppose it.

Sir, I move.

Mr. President: Motion moved:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official members to serve on the Defence consultative Committee for the unexpired portion of the financial year 1945-46 and for the financial year 1946-47."

Sri Satya Narayan Sinha (Darbhanga cum Saran: Non-Muhammadan): Sir, I move:

"That in the original motion for the word 'six' the word 'ten' be substituted."

Mr. President: The question is:

"That in the original motion for the word 'six' the word 'ten' be substituted."

The motion was adopted.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (the Honourable Mr. G. V. Mavalankar), in the Chair.

Mr. M. Asaf Ali (Delhi: General): Sir, there would have been no need for me to rise this afternoon to comment on the motion which has been made by Mr. Philip Mason today. But unfortunately the press has more or less compelled me to get up today to dispel certain speculations that have been going round for some time. Before bringing up this motion Mr. Mason was good enough to invite me to a discussion of the various subjects that are likely to be brought up before this Committee. I naturally agreed and after a discussion we came to certain tentative conclusions in respect of which Mr. Mason wrote me a letter which I may read out—I hope he will have no objection to my publicly reading it this afternoon.

Mr. P. Mason: None.

Mr. M. Asaf Ali: He wrote me a letter which may be of some interest to the House and to the public generally. This letter is dated the 4th of February. It runs as follows:

"This is in continuation of our conversation of last Tuesday morning. I explained to H. E. the Commander-in-Chief that I had told you the kind of work the Defence Consultative Committee had been doing and that you expressed the view that should your party agree to take part in such a Committee (regarding which of course you could not commit yourself) they would certainly wish to discuss matters of the very widest nature in relation to the defence of India, and would not be content to discuss details. You recognised that so long as the War Member is also Commander-in-Chief, such a Committee could only be consultative; and you also added that you felt personally that in the short remaining period for which this arrangement would continue, the greater consultation there could be between the Commander-in-Chief and the elected representatives of the people, the better.

I explained this to H. E. the Commander-in-Chief who authorises me to say that while the Committee must continue to be consultative, he would welcome discussion on the broadest aspects of strategy and organisation. He would be very glad to see you at his house and discuss the whole question, and I suggest as a possible time and date 3 P.M.

I attach a brief note giving some of the subjects discussed with the Defence Consultative Committee during the past year with some indication of the results. As you said at the time, these are in a sense matters of detail, but, of course, the armed forces are built up from matters of detail and I think that in future even if we also have discussions on the widest strategical and military problems, it will be of advantage to refer to the Committee many questions of this nature as well."

So it was in connection with this subject that I afterwards met His Excellency the Commander-in-Chief and we had more than one meeting—in fact I met him on two occasions. Somehow the press got wind of it. I did not want any publicity for the simple reason that only results could be made public. A rumour went round that secret talks were taking place between the Commander-in-Chief and myself and that I had agreed to the retention of the British troops by Free India. I can now speaking from my place in the House, contradict both these rumours which had absolutely no foundation whatsoever. There was no question of secret talks and there was no question of the British troops remaining in India either today or tomorrow. None of these questions were being discussed. In fact, what was being discussed was the scope and functions of the Consultative Committee and naturally many other subjects came up which were of a connected nature. Sir, I am very glad that Mr. Mason has given to the House the very same assurance and it makes our task easier.

The history of the Defence Consultative Committee may be traced right back to 1935. When we first came into this House we wanted a Standing Committee. But at that time they thought it would be rather presumptuous on

our parts to seek to advise the Defence Department on matters about which we knew nothing but about which we were complaining all the time that the Government were not consulting us. We repeated our efforts later, and on one occasion I believe it was in 1936 as Mr. Mangal Singh will bear me out (*Sardar Mangal Singh*: "It was in 1936")—the House carried a resolution almost unanimously, which recommended to the Governor General in Council that a Standing Committee for Defence should be set up. But it took the Government another five years to reconsider the position. However, I am very glad that in 1941, it took shape—I believe it was the present Commander-in-Chief who thought of setting up this Committee. It may not be a Standing Committee, Sir, but I am glad that Mr. Mason has assured us that this Committee will be governed by the rules that apply to Standing Committees generally. The defence of India is the most vital subject in which the country is interested and with which the representatives of the country must be very closely associated. As it happens, since 1941, I believe the Defence Department has been split into two sections: the War Department and the Defence Department. The Defence portfolio is held by one Member and the War Member is the Commander-in-Chief. The subjects entrusted to the Defence Department are just a few which have nothing to do with operational matters or with the organization as such. But I take it that this committee will be allowed to look into both the Departments.

Mr. P. Mason: May I explain, Sir? There is no longer a Defence Department. Practically all the functions of the Defence Department were taken over once more by the War Department about two months ago.

Mr. M. Asaf Ali: I am glad that Mr. Mason has corrected me. Has the Defence portfolio been abolished?

Mr. P. Mason: Yes.

Mr. M. Asaf Ali: I am very glad to hear it because that is exactly what we want. We want, whenever we take over from the War Department, to take over the whole thing and not piecemeal. We do not want the Defence Department to be separated from the War Department: we want the whole of it to be handed over to us as soon as possible. That being so, it is only reasonable that a nucleus should be created in the House, a nucleus of elected Members who should be familiarised with the working of the entire Department, so that they may take part in the shaping of the policy of the Department a little more intelligently than they can when they are utterly ignorant of things which may be happening. It is from that point of view that I welcome the motion which has been made by Mr. Mason, and I also support the amendment that has been proposed by my Honourable friend, the Chief Whip of the Party. It will give the House an opportunity of sending more Members to this committee, and the more in my opinion the merrier, though I should not like it to be overcrowded.

Mr. President: I now put to the House the amended motion:

The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, ten non-official members to serve on the Defence Consultative Committee for the unexpired portion of the financial year 1945-46 and for the financial year 1946-47."

The motion was adopted.

Mr. President: I have to inform Honourable Members that for the purpose of election of Members to the Defence Consultative Committee, the Notice Office will be open to receive nominations upto 12 Noon on Saturday, the 23rd February, and that the election, if necessary, will be held on Tuesday, the 26th February. The election, which will be conducted in accordance with the Regulations for holding of elections by means of the single transferable vote, will be held in the Assistant Secretary's room in the Council House, between the hours of 10-30 A.M. and 1 P.M.

FACTORIES (AMENDMENT) BILL.

The Honourable Dr. B. R. Ambedkar (Labour Member): Mr. President, I move:

"That the Bill further to amend the Factories Act, 1934, be taken into consideration."

The Bill has altogether seven clauses; but of these seven clauses there are only two which are fundamental. They are clause 2 and clause 7 of the Bill. These two clauses deal with two separate questions. Clause 2 deals with the question of reduction in the hours of work and clause 7 deals with the rate of payment for overtime.

Taking for consideration the first question, namely, the reduction in the hours of work. I would like to state to the House what the present position is. The present position is that under section 34 of the Factories Act, for perennial factories the maximum hours of work per week are fixed at 54, while for the non-perennial or seasonal factories the total is 60 hours a week. Clause 2 of the Bill proposes to make changes in the maximum hours of work fixed by section 34: for perennial factories the maximum is fixed at 48, while for the seasonal factories the maximum is fixed at 54. It might be desirable to mention to the House why Government has thought it necessary to bring this amending measure.

As some members of the House will remember, this question regarding the hours of work in factories was considered for the first time in a convention which was held in Washington in the year 1919. The convention fixed 48 hours as the maximum for factory labour, but on account of the special conditions prevalent in India, the conference agreed to allow India to retain the maximum of 60 hours, which was then prevalent. Consequently, the Government of India allowed the 60 hours limit to continue. The matter was then examined by the Royal Commission on Labour, and the Royal Commission on Labour recommended that although the international convention did not put any obligation upon the Government of India to bring the factory law in consonance with the convention established in Washington, they recommended that nonetheless it was necessary that the hours of labour in India should be fixed at 54. That recommendation was accepted by the Government of India and an amending Bill was brought in the year 1934, under which the present maximum which is fixed by section 34 was brought into operation. The Government of India now think that time and circumstances have arisen whereby it is necessary that the Indian factory workers should be allowed the benefit of the maximum hours of labour that were fixed by the Washington Convention; and that is the reason why this Bill has been brought forward.

I need not elaborate the reasons why Government regards this matter as somewhat emergent. But I might mention briefly the considerations that have moved the Government of India to bring forward this measure. I think it will be agreed that apart from other considerations, if one were to take into account only the climatic conditions that prevail in this country, it would be agreed that for that, if for no other reason, the hours of work in a country like India ought to be much less than the hours of work that are prevalent in other countries. There is also the other reason, namely, that during the war, under section 8 of the Ordinance, we had permitted the provincial governments to allow many exemptions from the provisions of the Factories Act which had the effect of increasing the hours of work for factory labour, and the Government thinks that the strain arising from the extension of the hours of work during the period of the war was so great that it is necessary in the interests of the health of the workers that they ought to be now granted a substantial relief. I might also mention to the House that the Government also thinks that this measure will have some salutary effect in the matter of relieving unemployment which is likely to arise as a result of retrenchment. If 48 hours and 54 hours which have been fixed by the present Bill

Sjt. N. V. Gadgil (Bombay Central: Division: Non-Muhammaḍan Rural):
Make it 40.

The Honourable Dr. B. R. Ambedkar: were to be of universal operation. It is, I think, logical that more people would be employed than are employed now and that to some extent it would be a relief in our post-war difficulties. Some members are probably thinking that this might be a very radical measure. I would like to disabuse them of any such notion. The Bill does not make any radical change in the practice which exists at present and I would like to give the House some figures in order to show to what extent 48 hours in perennial factories and 54 hours in seasonal factories have become the order of the day. In the year 1939, there were altogether—I am giving figures of perennial factories—8,644 factories. Of them 2,315 were working at the rate of 48 hours a week which gives a percentage of 27 per cent. In 1940, the total number of factories was 8,115 and those that worked on 48 hours were 2,525 which gives 28 per cent of the total. In 1941, the total was 10,261. Those that worked on 48 hours were 2,921 which was 29 per cent. In 1942, the total was 10,483. Those that worked on 48 hours was 2,687 which gives a total of 26 per cent. In 1943, the total was 11,239. Those that worked on 48 was 2,761, which gives a total of 25 per cent. In 1944, that total was 11,835. Those that worked on 48 hours was 3,191 which gives a total of 27 per cent. The same facts with regard to seasonal factories are as follows. In 1939, there were 6,252 factories. Of them 2,409 worked on a basis of 54 hours which gives 39 per cent. In 1940, the total was 6,239. Of them 2,440 worked on the basis of 54 hours, which is again a total of 39. In 1941, the total was 6,265. Of them 2,439 worked on 54 hours which again is a percentage of 39. In 1942, the total was 5,925. Those that worked 54 was 2,358 which gives 40 as the percentage. In 1943, the total was 6,255. Of them 2,398 worked on a basis of 54 which gives a percentage of 40. In 1944, the total was 5,950 and of them 2,368 worked at the rate of 54. That gives 40. (*An Honourable Member:* "The rest is more than 54 hours?") Not beyond the maximum but above the figures now fixed in the Bill.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural). What is the number of men employed?

The Honourable Dr. B. R. Ambedkar: I am coming to that. Looking at the matter from the point of view of the hands, we unfortunately have not got very complete data but from the reports of the Fact Finding Committee which the Government of India appointed recently the figures collected stand as follows. The total factory hands both in seasonal and non-seasonal factories comes to 25,20,251. These are the latest figures for 1945. Those that were employed in factories working at 48 to 54 comes to 9,47,000, which is 37 per cent, of the total. It will therefore be seen that there are already a great number of factories both perennial and seasonal which have practically adopted the maximum which is now fixed in the Bill and from that point of view it cannot be said that the Bill is making any very great radical change in the situation as it exists today.

There is one other point which has been raised by the critics of the Bill to which I would like to give a reply. It has been said that this Bill will affect production, and that it will reduce production and this point has been emphasized, if I may say so, by the cotton textile mills. They have contended that from their point of view and from the point of view of the country this is an inopportune measure. There is a great deal of shortage of cloth in the country. In fact there is a cloth famine and they say that if anything was necessary in the circumstances of the day, the mil's, particularly the Cotton mills, ought to have greater latitude in the matter of hours of employment, so that the deficiency in the matter of cloth production might be made up. Now, I had an examination made of the effect of the reduction in the hours of labour on production, particularly with regard to the cotton mills by the Labour Department and I have here some very interesting figures. I have a great lot of figures but I do not want to weary the House with them but I will just refer to the consumption of cotton, increase of loom, spindles and so on, so that the House may get an idea. Now, I take the figure for the year 1934, the year in

[Dr. B. B. Ambedkar.]

which the change in the hours of work was made last time. They were brought down from 60 to 54. Now, in 1934, the position was as follows. There were 352 mills. There were 9,613,174 spindles, 194,888 looms, 384,938 hands employed and the number of cotton bales consumed was 2,703,994. Take the next year, 1935, when the provisions of the Act became effective. The number of mills had increased to 365. Spindles had increased to 9,685,175.

3 P.M. Looms had increased to 198,867. The number of hands employed increased to 414,884 and the bales consumed increased to 3,123,418. I will take the last year available to me, that is 1938. The total number of mills had increased to 380. The number of spindles had increased to 1,020,275.

Shri Sri Prakasa: Will the Honourable Member give them in lakhs?

The Honourable Dr. B. B. Ambedkar: They are all given here in millions.

The notation which I am using is quite familiar to the Honourable Member on the other side. He is not so ignorant as he is showing himself to be.

The number of looms is 200,286; hands employed were 437,690, the number of cotton bale consumed 3,662,648. Therefore, my submission is that so far as experience of the past is any guide to the consequences of the future, I am sure that any such fear that may be entertained is unfounded. However, the Government of India does recognise that there is cloth famine, if not famine, there is shortage of cloth and that under the circumstances, it would be necessary to make some provision, so that should occasion arise, the mills or the other establishments which require longer hours to work may have the liberty to do so. Accordingly, there has been inserted in the Bill a clause which is clause 5 and which amends section 44. It will be seen from the wording of the clause that power is given to the Provincial Government to extend the operation of the order for six months at a time, it was proved that public interest as distinguished from emergency existed. There is already provision for suspending the provisions of the Factory Act whenever there is emergency. It was felt that the shortage of cloth may not be regarded as an emergency and consequently provincial governments may not be in a position to use the sections which exist at present in the Act. Consequently as a measure of greater precaution, the Government has inserted in the Bill a clause which now makes provision for another category of situation which is called public interest. So, I hope that that clause will allay such fears as the cotton textile millowners may have with regard to the effect of the Bill on the production of cloth.

Sir, the other clauses, namely, clauses 3, 4 and 6 are purely consequential. Clause 3 reduces the daily maximum from 11 to 9 for perennial factories and from 11 to 10 for seasonal factories. That is in consonance with the major change which we are making by fixing a new maxima for perennial and seasonal factories. Clauses 4 and 6 merely reduce the spread over from 13 hours to 12 and I am sure they need no comment from me. With regard to the second main provision of the Bill which as I said deals with the rate of payment for overtime, Honourable Members will see that the existing Factory Act does not have a uniform rule with regard to payment of overtime. In fact, there are two different rules, one for perennial factory and the other for seasonal factory. For the seasonal factory, if the hours of work are above 60, then he gets 1½. For the non-seasonal factory, there are really two different rates. If the working hours are between 54 to 60, then the overtime is 1½ times, if it is above 60, it is 1½ times. As Government thinks that as this distinction or differentiation in the rates of payment of overtime is unjustifiable, that it is desirable that there ought to be one single rule for overtime, irrespective of the nature of the factory, to which the rule applies. Consequently the amendment in the Bill proposes that for all overtime, the rates should be one and a half times. I hope that the House will realise that this is a simple measure—that it is a measure long overdue and that it will give its support to this belated measure of bringing Indian legislation in accord with the standards laid down by the International convention. Sir, I move.

Mr. President: Motion moved:

"That the Bill further to amend the Factories Act, 1934, be taken into consideration."

Sri R. Venkatasubba Reddiar (South Arcot cum Chingleput: Non-Muhammadian Rural): Sir, I move:

"That the Bill be referred to a Select Committee consisting of the Honourable Sir Asok Roy, the Honourable Dr. B. R. Ambedkar, Prof. N. G. Ranga, Sjt. N. V. Gadgil, Mr. Vadilal Lallubhai, Diwan Chaman Lall, Pandit Balkrishna Sharma, Mr. Muhammad Nauman, Mr. Muhammad M. Killedar, Sir Hassan Suhrawardy, Mr. S. C. Joshi, Mr. A. C. Inskip, Miss Maniben Kara, Mr. S. Guruswami, Chaudhry Sri Chand, and the Mover, with instructions to report on or before the 7th March, 1946, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, if I propose that the Bill be referred to a Select Committee, it is not that I want to hold back the progress of the Bill for any length of time from the consideration of this House. The Honourable Member for Government has not stated whether he called for public opinion on this measure, at any rate the opinion from all sections which are interested or which are affected by this measure. If any opinion has been received, he has not circulated that. Some Members think that this Bill should go a little further than what is now proposed. Throughout the world the labour has been demanding for still shorter hours. It has taken more than 26 years to reach the hours of work per week which the Washington conference speaks. Now, Sir, at a late stage this Bill has come. My amendment to refer the Bill to the Select Committee will not jeopardise the passage of this Bill through this House for a long time. I only ask that this Bill should be considered in the Select Committee and returned to this House before 7th March 1946, that is within two weeks from today. Sir, I move

Mr. President: Amendment moved:

"That the Bill be referred to a Select Committee consisting of the Honourable Sir Asoka Roy, the Honourable Dr. B. R. Ambedkar, Prof. N. G. Ranga, Sjt. N. V. Gadgil, Mr. Vadilal Lallubhai, Diwan Chaman Lall, Pandit Balkrishna Sharma, Mr. Muhammad Nauman, Mr. Muhammad M. Killedar, Sir Hassan Suhrawardy, Mr. S. C. Joshi, Mr. A. C. Inskip, Miss Maniben Kara, Mr. S. Guruswami, Chaudhry Sri Chand, and the Mover, with instructions to report on or before the 7th March, 1946, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Miss Maniben Kara (Nominated Non-Official): Sir, I stand to oppose this amendment. While on the one side the Honourable Member has stated that he for one would want the hours of work to be still reduced from what has been proposed by the Honourable Labour Member, he has on the other hand proposed an amendment that the matter should be referred to a select committee, which will only mean delay. The question has been very ably stated by the Labour Member and he has also shown the urgency of implementing this Bill as early as possible. The necessity of getting this Bill through has been very well explained. The Labour Member has also assured that some safeguard has been kept for the textile mills, because of cloth famine. I see no reason why any group or any party should oppose this Bill which is really a belated measure. As a matter of fact if we compare the hours of work in this country with those in any other countries, it will be found, as was pointed out by the Labour Member, that our country needs to go much further ahead. Regarding the reduction of hours of work there ought not to be any difference of opinion. I therefore appeal on behalf of labour that the Congress as well as the other parties in this House should unite in getting this Bill passed. I will also make a suggestion, that because this Bill deals only with workers in factories, provision should be made for workers in other industries. I take this opportunity to appeal to the Labour Member that he will not forget the workers in the railways and mines; other Bills should be brought forward on their behalf and I hope the bills will receive the support of this House.

Diwan Chaman Lall (West Punjab: Non-Muhammadian): Sir, I think I must congratulate the Honourable lady who has just spoken on her desire to expedite the passage of this Bill through this House. But she forgets that the reason why this amendment has been tabled is to enable this House further to consider the position as explained by the Labour Member. I must also

[Diwan Chaman Lall]

congratulate the Labour Member on the very lucid—though brief—exposition of the history of this subject. The point why this amendment has been tabled is not that we intend to delay the passage of this measure, not that we want to obstruct the passage of labour legislation, but to find out if it is possible to assist my Honourable friend who has tabled this motion to reduce the hours of work still further. And I am surprised at my Honourable friend, the nominated lady in this House who is supposed to represent labour, that she accepts without demur the proposition that women should be allowed to work in seasonal factories for 54 hours a week. Does she not consider that the time has come when, at all costs, she should stand for the legitimate rights of her own kind working in these factories? Does she not consider that the time has arrived when we should take a step forward in that respect? My Honourable friend the Labour Member was not quite right when he made a reference to the Washington Convention of 1919; or rather that he was not quite complete in the statement that he made. The Washington Convention considered this matter in 1919 and came to the conclusion that because of the special circumstances prevailing in a country like India there must be a sixty-hour week.

[At this stage Mr. President vacated the Chair which was then occupied by Mr. Deputy President (Sir Mohammad Yamin Khan)]

Sir, it is a most extraordinary proposition. The special conditions that prevail in India, the climatic conditions to which my Honourable friend referred, are such that it should enable well-wishers of labour throughout the world to demand a lower working week in India than in other countries like Great Britain and France. And yet the people who assembled in Washington agreed, because of these special conditions, to have a sixty-hour week. But at the same time—and that is why I said that the Honourable Member's statement was not complete—it was decided that this matter should be referred again to and reconsidered at a future meeting of the General Conference. It was contemplated that if a sixty-hour week was not right for India it should be reconsidered at a future meeting of the General Conference.

The Honourable Dr. B. R. Ambedkar: It was not done.

Diwan Chaman Lall: Of course it was not done; that is my point. The point is that they were not final as far as this question was concerned, whereas from that year 1919 onwards the position has been accepted, or was accepted until the Royal Commission on Labour reported, to be final. A sixty-hour week was considered to be right for India, whereas a forty-eight-hour week was considered right for England and a forty-hour week was thought to be right for France. That time for reconsideration never came, but it was considered by the Royal Commission on Labour which looked into this matter. My Honourable friend referred to the Royal Commission on Labour. Fortunately or unfortunately I with another friend, who is not in the House but whom I see seated in the official gallery, was a member of that Commission; and we did recommend in a minority report or rather in a note of dissent that the hours of work should be reduced to 48 in those circumstances. Sir, that was 15 years ago. Prefacing my assent to the Royal Commission's report I stated that I agreed to the demands as they have been accepted by the Commission; and the last paragraph of that report says, referring to me that:

"He desires to add that opinions must differ regarding the conclusions to be drawn from the evidence and he regards the recommendations as the minimum which should be enforced without delay."

That was 15 years ago. Much water, as my Honourable friend said, has flown down the Jumna Bridge since then and we are now faced, or may be faced, with a very serious problem of unemployment. My Honourable friend referred to that problem and he said that we must not consider this measure to be a radical measure; it is a measure which is designed also to meet the problem of unemployment. Quite right; but how does it meet the problem of unemployment? In the next breath my Honourable friend—as he did quite

rightly—laid down figures showing that there are from 25 to 40 per cent. of workers employed in these factories already working up to 48 hours a week; and let me add further that there are industries in which workers are working much less than 48 hours a week. If my Honourable friend studies—as in course of time he will no doubt study—the position of railways, he will find that the hours of work for a long number of years have been much lower than 48. It is only in exceptional cases that the hours are long; it is only where the Washington and Geneva Conventions have not been applied though they should have been applied that he will find the hours of work long. But you take even the jute mills and the coal mines, there the workers themselves have enforced a maximum limit upon themselves because of the difficulties of labour both in the jute mills and coal mines. There again he will find that the hours are much shorter than 48 no matter what the legal maximum; and it is for that reason that I direct the attention of my Honourable friend who opposed this amendment to the fact that there is a case for a lower working week than the week which my Honourable friend has suggested on the floor of this House. And it is a problem that we must not only consider but carefully weigh to find out whether it is possible today to get to a lower working week than that which has been suggested. And why do I say this? It is true that we are going to be faced, and we may be faced, with serious retrenchment and serious unemployment in the country. If the position already is that a large number of workers are working on the basis of 48 hours or less, how does it help to solve the problem of unemployment if you merely stabilise by law what the position is in practice? If you want to meet the problem of retrenchment and unemployment it is up to you to reduce the hours of work still further. My Honourable friend therefore quite rightly said it is not a radical measure. We want this amendment; we want this Select Committee to meet in order to make it a radical measure. I understand my Honourable friend belongs to the Radical Democratic Party and she is against making the measure a radical measure. I am rather surprised at the speech that she delivered.

There are other considerations, Mr. Deputy President, why this measure must go to the Select Committee. There is the problem of payment for overtime. My Honourable friend has increased it from $1\frac{1}{4}$ to $1\frac{1}{2}$ and stabilised it for all categories at $1\frac{1}{2}$. In some categories it is $1\frac{1}{2}$, in others it is $1\frac{1}{4}$. My Honourable friend over there objected to this motion; she is against making it double. I ask her, does she object to doubling this?

Miss Maniben Kara: I will give my reply, Mr. Deputy President.

Diwan Chaman Lal: My Honourable friend should take this opportunity to revise her verdict; if she has not studied this carefully, she will have an opportunity in the Select Committee to examine this, and I am sure she will realize that in the interest of the labouring classes it is necessary to double this payment.

Then there is the question of spread over. Spread over is a problem; it has been a serious problem of the jute industry as my Honourable friend knows. Men have been found there working for 18 hours practically at a stretch; because they are unable to take their rest in their own homes they must lie down in the factories. These problems have to be settled and I therefore think that the entire Factories Act needs very radical changes, and the time must come and must come soon when this Act must be amended and made more humane and more civilized.

My point of view is a very simple one. As far as this measure is concerned, and all such measures, I, on the floor of this House, on behalf of my colleagues, welcome all such measures which are meant and designed to ameliorate the condition of the working classes. But at the same time we want to go a step beyond the step taken by my Honourable friend. We want to do full justice to the working classes and if we can, by virtue of sending this measure to the Select Committee, discuss the various aspects of this measure with a view to improve those aspects, there should be none in this House to say no to us and I want the support of every Member on the floor of this House for this proposition. That is why I commend this particular amendment to the House.

[Diwan Chaman Lall]

The time has come to note that the working classes are not going to be satisfied with half hearted measures. The working classes are now determined to come into their own, as they must come into their own. Swaraj, freedom and independence mean nothing to me unless they also mean swaraj, freedom and independence to the working classes in the country. For them it is that we labour, for them it is that we suffer, for them it is that we put forth our voice in order that they may come into their own. And, therefore, I suggest that the time has come when this particular measure too should be so amended that it will meet the circumstances of the situation and be acceptable to the working classes.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural) : Before I speak on the subject, I would like the Honourable Member to give me the figures. He said that there are 5,930 factories employing 25,291 men. Am I right ?

The Honourable Dr. B. R. Ambedkar : What figures my Honourable friend is referring to ?

Dr. Sir Zia Uddin Ahmad : You said that the total number of men now employed in all the factories is 25,291.

The Honourable Dr. B. R. Ambedkar : I said 25,20,000.

Dr. Sir Zia Uddin Ahmad : Sir, my Honourable friend, Mr. Chaman Lall, does not go far enough for the benefit of labour. Ever since we had the Labour Commission, we have been having at least ten Bills every year in connection with the labour improvement, but I think we are catching the wrong end of the stick. We have not fully realized how the labour is moving throughout the world. The little bit which we are doing from time to time—diminishing hours of work, increasing the wages, making strikes legal, and such other measures—will not solve the real problem. Labour throughout the world after the war will not be satisfied with these few pieces of morsels which we put in their mouth; this is what labour is saying everywhere. Russia has taken the lead, and also some other countries. Labour is now thinking in this way: 'We produce wealth; the capitalist has inherited some money from his father; he had no business to own that money; I am the person who produce the wealth'. This is now the feeling of labour. If we examine the Communist ideas, we find that the fundamental idea is that you cannot employ labour for producing wealth and pocket yourself.

Shri Sri Prakasa : Labour produces a mouse!

Dr. Sir Zia Uddin Ahmad : This is the view that labour is taking that the capitalist has no right to employ the labour because he happens to own some money, and that the capitalist earns the money on account of the efforts of the labourer for which he pays him a few annas which is not even sufficient to maintain him. Labour will not accept this position any more.

There are only two ways in which you can solve this question satisfactorily. It cannot be done by piecemeal legislation as we are doing. We must follow the Communist method. The Communist doctrine is that you cannot use labour for the production of wealth for yourself; the wealth so produced must belong to the whole community. If you don't do that, people will not be satisfied with those leaders, who are representing them in order to make their own careers and not to help them—to them leadership is a fashion. The other method which was adopted by Germany was to make labourers business partners in the firm. Whatever profit is earned, it must be distributed in a certain proportion between the labourers, directors, officers and the capitalists. It is not sufficient that you should pay him a certain amount, and if he over-works, then double. There has been a good deal of discussion in the House as to whether payment for overwork should be double, one and a half, or one and a quarter, but I may tell you that labour will not be satisfied. They say, they should be partners in whatever they help to produce. Therefore I think that you should make them business

partners as Germany did before Great War or you should follow the Communist doctrine that no person should be able to employ labour unless the whole of the income goes to the community, and not to the capitalist. Half measures which we have been adopting are wrong. I am sorry my friend the Honourable the Labour Member who has been guiding the destinies of labour for such a long time has been struggling in the low atmosphere by piece-meal legislation for labour. But labourers will not be satisfied. The time is moving fast and they will now demand on account of the prevailing influence of Russia and other doctrines that we should take strong measures to improve the condition of labour.

One thing, which I said, is absolutely necessary is that you should take the labourer in as a business partner. The capitalist should have only the bank rate of interest as profit. Instead of that they are having 200 and 300 per cent. as their dividend declared by several mills, especially those mills who really cry most, namely, the textile mills. They are the greatest sinners in India for the employment of labour. Not only that, but also in connection with the consumers, and shareholders and everybody. We ought to see beforehand how the world is moving and how it will shape. These conferences at Washington and at Geneva and elsewhere are not satisfactory solutions of the problem. We have to choose one of these two methods and you will have to abide by it whether you are India or any other country. Either you follow the Communist theory which is this: that you cannot employ labour for personal productive objects. You can use labour for your own benefit but not for the production of wealth, and if any labour produces wealth, it should go to community as a whole. Or, adopt the policy Germany followed before the Great war, namely, that the capitalist was entitled to a bank rate of interest; the workers had their living wages according to their status. This minimum which was guaranteed and paid weekly and afterwards whenever there was a profit it was divided equitably in certain proportion between the workers, the directors, the managers and the capitalists themselves.

This is the method which you ought to adopt and I hope the Honourable the Labour Member will take the lead in this matter. He is bold enough in many other things. I have seen his bold speeches but in his own particular work, where he stands as a champion of labour, he is not bold enough. He follows the rut laid out by the Royal Commission on Labour and by his predecessors though he tries to move a little faster. He should see how the world is moving and you have to adopt dynamic policy; tell the capitalists that the time is not distant when all their factories will be destroyed and burnt and everything will be looted, and this is a thing which is bound to come unless you look after the interests of the workmen. To give them 54 or 60 hours work a week, for which Jamnadas Mehta is fighting, is not good enough. It may satisfy them for few years but it will not satisfy them after ten years because the current of opinion from Russia is going on all over the world and affecting the labour people all over the country, and this is a thing which you ought to foresee and I wish the Honourable Member will come out with a bold legislation and say that no company shall ever declare a dividend beyond the bank rate of interest. That should be the maximum. The second thing is that all the profit should be distributed in an equitable manner between the workers, the directors and the capitalists themselves.

There is one thing which labour is considering and my Honourable friend, the Labour Member has hardly realised it. Suppose a capitalist invests a hundred rupees in any business or industry.

The Honourable Dr. B. R. Ambedkar: I wonder if this is all relevant to the Bill.

Mr. Deputy President: Order, order. I do not know if the Honourable Member is speaking on the amendment or on the real motion.

Dr. Sir Zia Uddin Ahmad: I am expressing and developing the feelings of labour, which I am going to describe. The feeling of the labourers is this. Suppose a capitalist has invested one hundred rupees and the labourer must work in order to give him a profit of Rs. 3 per annum, which is the bank rate of

[Dr. Sir Ziauddin Ahmad.]

interest. It is just when the dividend goes up to six per cent. instead, labour must work twice over for the same amount in order to give double the dividend to the capitalist. And if the dividend increases one hundred times, then the labourer will have to work one hundred times as much in order to give this dividend. This is the feeling of the labourers, namely, why should I work so hard in order to give him a profit to which he is not entitled. He has earned back all his capital and the factory should belong to the labour. This is the feeling the labourers have. It may not be in 1946. But it is bound to be there in a few years' time since they control all the votes, and these gentlemen, including myself, who are here, will have to side with labourers who command majority of votes and whatever their feelings are we will have to represent their views in the Legislature here.

Sri M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): Our sympathies are with them.

(At this stage Miss Maniben Kara rose in her seat.)

Mr. Deputy President: Does the Honourable Member want to make any personal explanation, otherwise she has no right to speak.

Miss Maniben Kara: The Honourable Member has just referred to the Radical Democratic Party and I was asked a certain straight question.

Mr. Deputy President: The Honourable Member is not entitled to reply unless there is a personal explanation.

Miss Maniben Kara: A personal explanation. I was referred to as a Member of the Radical Democratic Party. Because I am a member of that party, I must congratulate the Member who has just spoken.

Mr. Deputy President: That is not a personal explanation. Order, order. Dr Ambedkar.

The Honourable Dr. B. E. Ambedkar: Sir, I have listened to the speech which the Mover made in support of his amendment and if that speech was the only speech in support of the amendment I certainly would have resisted the amendment, because, so far as I was able to hear, the Honourable the mover of this amendment said that the reason why he had moved his amendment was because I had not explained in my speech whether the Government of India, before putting forth this Bill, had consulted the different Parties to this measure. I certainly failed to say so but I thought that the Honourable Members of this House were aware of the fact that for the last several years there has been in existence an institution called the Labour Conference which meets annually and which has a Standing Committee which meets every quarter. It consists of the representatives of labour, the representatives of employers and the representatives of the Provincial Governments. The Government of India, in so far as it is possible, for it to do so, always put forth their legislative measures before the Conference in order to ascertain the opinion of the different Parties to those measures. The same, Sir, has been the case with regard to this particular measure. I have no particular information with me now as to how many times this measure had come before the Standing Labour Committee or the Labour Conference but I have not the slightest doubt in my mind that this measure was discussed threadbare in one of the two bodies (I forget which). We had come to know that the cotton millowners had certain difficulties and certain objections and it was to meet their point of view that a particular amendment was made. Having regard to that, I do not think that there is any substance in the point made by the mover of this amendment. As I said, if that was the ground and the sole ground, I would have resisted, but, Sir the debate as it developed has taken a very curious turn.

Prof. N. G. Ranga (Guntur cum Nellore: Non-Muhammadan Rural): A very welcome turn.

The Honourable Dr. B. E. Ambedkar: It is probably a welcome turn. I have noticed from the speeches that have been made from different parts of the

House that there is now a regular competition in love for labour. One section says one thing and another raises it as though it was an auction by making a higher bid and a third one still further.

An Honourable Member: You can bid higher.

The Honourable Dr. B. R. Ambedkar: In all these debates I am rather unhappy that there were persons in the House who were members of the Royal Commission and who ought to have taken a personal interest in seeing that the measures which they had recommended when they were members of the Commission were put forth, if not from the Government side, at least from the non-official side, should turn my inside out and represent that I was a Tory of Tories. I do not accept that charge but I do feel that it is necessary that this Bill should go to Select Committee, so that all the statements that have been made, the claims that have been put forth and the view points that have been urged should be put to the test of actual voting in order to see whether the sentiments that have been expressed are mere sentiments or that they are real convictions. If I did not do so, it is open to the members of the Opposition side to say that as I was a Tory and do not want to advance the Bill beyond the limits that have been fixed, that I on that account shirked accepting this motion. I therefore accept the motion.

(At this stage several Honourable Members rose in their seats.)

Dewan Chaman Lall: Sir, nobody accused the Honourable Member of being a Tory of Tories.

Sri M. Ananthasayanam Ayyangar: Sir, I rise to a point of order. There is no closure motion. This motion has to be talked. This is a Bill and there is no time limit. There are members of the House who are not members of the Select Committee and for that matter I am not on the Select Committee and I would like to express my views so that in the Select Committee they might take my views into consideration.

Mr. Deputy President: The ordinary procedure is that the Honourable Member in charge makes his motion, then the debate takes place and then the Honourable Member makes his reply. If the Honourable Member (Prof. N. G. Ranga) had caught the eye of the Chair, it would have been all right but I understood that the Honourable Member in Charge of the Bill wanted to get up simply to save the time of the House as he was accepting the proposition and if he accepts the proposition there is no opposition. There seems to be no necessity for making further speeches in support of the amendment. There are only two issues before the House. One is the main proposition that it may be taken into consideration and the other is that the Bill be referred to a Select Committee. If the other side accepts this, it means that the Honourable Member will have more opportunity to speak after the Bill returns from the Select Committee. I am afraid he has lost his chance.

Sri M. Ananthasayanam Ayyangar: On a point of order, Sir. Is it open to an Honourable Member to oppose the motion? One other point also I would raise, so that you might give your ruling later. What I am submitting is that as soon as I propose an amendment and the Honourable Member to cut short all speeches gets up and says "I accept", are we to be dumb?

Mr. Deputy President: No.

Sjt. N. V. Gadgil: Sir, may I bring to your notice that it is not merely a question of the acceptance of the amendment by the Honourable Member. In a matter like this there are certain viewpoints on which the House ought to provide some sort of directives to the members of the Select Committee. The only point that was discussed, as far as I understood, was the shortening of hours of work. But there are other points which it is just possible that other members may make in the course of further discussion, if allowed. Inasmuch as there is plenty of time left I respectfully submit that the Chair should allow a few speakers who have really some contribution to make to this debate.

Mr. P. J. Griffiths (Assam: European): Mr. Deputy President, may I make a submission. I have no personal interest in this matter but I would submit that the Honourable Dr. Ambedkar merely spoke early for the convenience of the House and it should not act as a bar on the rights of other members to discuss the subject fully.

Diwan Chaman Lall: Nor does it take away the right of my Honourable friend, the Labour Member, to have the last word, when the debate is closing. He will still have the last word after the debate has taken place.

Mr. President: I thought that this may be acceptable to the Mover and then it will stop further debate. But the House does not seem to have accepted that view and I therefore call upon Prof. N. G. Ranga.

Prof. N. G. Ranga: Sir, my Honourable friend, Dr. Ambedkar, seems to be developing a knack to bring things from sublime heights to the ridiculous. I think he should be first person to welcome the kind of development that he finds in this new Legislative Assembly that one party should compete with another to serve the working classes of this country. Instead of that he seems to be rather unhappy that other people are stealing away his clothes and are able to adorn themselves in much better clothes than he has been able to put in the market.

He says that it is not a radical measure. My Honourable friend Diwan Chaman Lall has already told you that it is not at all a radical measure. He has given you an indication that he would try not only on his own behalf but also on behalf of his colleagues to convince the Select Committee rather than this house about the advisability of reducing the maximum number of hours of work from 48 as it is proposed to even 40. My Honourable friend Dr. Ambedkar taunts us by saying "We are going to see what you people are going to do in the Select Committee." That is not the right way to approach this problem. That is not even helpful to workers. If an Honourable Member gets up in this House and speaks on behalf of his own party and offers to do one better than the Honourable Member representing Government, it is the duty of my Honourable friend to welcome that speech and not to make it as a sort of point for challenge and taunt us.

There are very many unfriendly critics of my Honourable friend Dr. Ambedkar—I dare say he knows it already—who go about saying that he is only trying to take time by forelock and gain all the credit of having introduced this tinkering legislation and that tinkering legislation, so that later on another administration that may be coming may not be able to do very much. Of course he ought not to give much weight to it. That is no reason why he should do the same thing with regard to our attitude towards labour. Let me assure him that he is not the only man interested in labour. It is also the Indian National Congress, and now we find the Muslim League also is ready to associate itself in that cause. The Indian National Congress and the Muslim League are making their approaches to the masses with a view to gain their confidence and gain their love. Is it not a welcome feature? There was an earlier Legislative Assembly of which both Dr. Ambedkar and myself were members.

The Honourable Dr. B. R. Ambedkar: I was never a member.

Prof. N. G. Ranga: Well, Sir, he ought to know as I knew. What sort of Assembly was it and what attitude was displayed towards labour. This is a new Assembly. It is a representative of the masses and it wishes to play its part as the champion of the masses. We ought all to congratulate ourselves upon this new development in the atmosphere of this Legislative Assembly because this Assembly today has got the courage from every section of the House to show its anxiety to support labour and its anxiety to support peasants. There has come about a great change in the political atmosphere. The Congress stands for Kisan Mazdoor Praja Raj not only for workers but for peasants also. It stands not only for these two classes but for all the intellectual labour in the country. Standing as we do for Kisan Mazdoor Praja Raj we do not need the advice from

my friend Dr. Ambedkar to try to do our duty. We are here to do our duty and we shall certainly welcome his co-operation.

I have been responsible to some extent in pressing this question to be sent to the Select Committee. There are very many reasons why I do so. One of them I shall detail just now. Dr. Ambedkar continues to make the distinction between seasonal workers and perennial workers, workers in seasonal factories and those in perennial factories, and perpetuates the present inequitous difference in the maximum number of hours that are allowed to be put in by these workers. Just as the Honourable Member is anxious that there should be uniformity between these two classes of people in regard to payment for overtime, so also we are anxious that there must be uniformity between these two cases in the maximum number of hours that can be extracted by employers, whether they be private capitalists or whether they be the Government and whether the workers be seasonal workers or perennial workers. If it is bad for workers in perennial factories to be made to work for 54 hours a week, certainly it must be equally bad for workers in seasonal factories also to be made to work for 54 hours a week. If he is so very keen—and he is rightly so—to reduce the maximum number of hours to 48 for perennial workers, then it is equally right for us to claim that the maximum number of hours for seasonal workers should also be reduced to 48. This is not a radical measure that I am suggesting. It is a very sensible thing and it ought to be introduced now. Will it be possible for me to move these amendments on the floor of this House if we were to come to the second reading stage straightaway and to the consideration stage? It is on this and various other considerations that we were anxious that this measure should be sent to the Select Committee.

The Honourable Member made an exception in regard to the speech of Mr. Reddiar. Well, if I were in his position I would have congratulated Mr. Reddiar for having got up to support his measure. He is a new Member. We do not know what the politics of new Members is. And a new Member gets up here and simply says 'I wish to be educated in regard to this matter'. The Honourable Member in charge of the Department has not educated anyone properly. He has not given me any indication as to the way in which public opinion is moving in this country. Now he gets up and says 'So many Committees have considered it; the Labour Conference has considered it' and why I am saying this now and why I did not say so then. He is there a Member of the Government of India. He would not take the trouble to educate the House and yet he taunts us in a contemptuous manner and in a professorial manner "You have only advanced this; I would not have considered your motion if I had known that it was only for the reasons that you have advanced". This sort of supercilious attitude which my Honourable friend is assuming towards the House I very much deprecate. The sooner he tries to develop a healthy sense of respect as well as consideration for his colleagues in the House the better it will be for him as well as the Government. I support the motion for the Select Committee.

Mr. S. Guruswami (Nominated Non-Official): I rise to support the motion for amendment that has been moved in view of the various expressions that have fallen from the previous speakers. I welcome this Bill because of the statement which the Government of India have made that they consider that a 54 hour week is indefensible. I have given notice of my intention to move a non-official Bill, reducing the working hours on the railways and in the mines, and I hope I will have the co-operation of the Honourable Member in supporting it as an official measure, so that what he says, namely, that this measure for reducing working hours is urgent, may also be realized in speeding up the passage of the Bill of which I have given notice. I do not want to get into the details of the controversy whether this should go to a Select Committee or not for the simple reason that both the mover of the Bill and the mover of the amendment have come to an agreement and the spokesmen of the Congress Party have said that they are for improvement. For the information of this House let me tell you that in Lillooah Railway workshops the standard working week

[Mr. S. Guruswami]
is 42. The All-India Railwaymen's Federation has appealed to the Railway Administrations and to the Government of India to introduce 42 hour week in this country as a method of avoiding unemployment in this country.

Then, Sir, there are certain important principles which are implied in this Bill which are not very explicit. The question of spread-over has not been properly dealt with in this Bill. Even if you agree to 42 hour week or six-hour day, the whole scheme can be sabotaged by getting exemptions under spread-over. If you spread over a six-hour working period over fifteen-hours in a day six-hour working day will only remain as such on the statute book, but there will be no benefit to the workers for whom the legislation will be intended.

There is another principle which I should like to emphasise in connection with this Bill. Night work is a work that is detrimental to the life of the workers. It should be discouraged by statutory methods by increasing the payment for night work just as they do for overtime and by limiting the night work that can be extracted. There is no legislation preventing workers on the railways from doing work during the night except in factories or, for the matter of that, in mines. But whatever it is let me tell for the information of this House that as a result of strong agitation, in which I took part, in French India in 1937 the French Government went ahead of the British Government. They legislated for an eight-hour day in 1937. They stipulated that night work should be prohibited for women workers. They stipulated that payment for night work should be made at double the rates that are given for day work. These details can be gone into the Select Committee, and I do hope that when the Report emerges out of the Select Committee a Bill acceptable to all sections of the House, a Bill which will be supported by all sections of the House, will emerge, and that we will have without any delay a new Bill which would regulate the working hours not only in the factories but in other industries. With these words, Sir, I again reiterate my support to this Bill.

Sri N. V. Gadgil: I did not like to participate in this discussion. I thought that the amendment moved by the Congress Party would be welcomed by the Honourable Member in charge of the Department. But the way in which he expressed his willingness to accept it has created some sort of trouble. He knows—at any rate he ought to know—that the Congress Party stands for a square deal to the worker. If he only cares to read the Congress manifesto, which Congress has published for the purpose of the general election, he will find that the view-point which has been pressed here today is exactly the view-point that has been incorporated in that manifesto. But I should also like to remind him that in the course of the last ten years—for some years I was also here—whenever there was any occasion to put in some word for the down-trodden labour, the Congress Party has taken the same attitude which it has taken today. If he were to refer to the relevant proceedings of this Assembly he will find that every time we tried to reduce the hours of work, it was this Government that, under one pretext or the other declined to do it. I am glad that now in this Government there is at least one man like the present Member—my esteemed friend in private life—who can be radical. My only regret today is that he is not sufficiently radical. From the figures he has given, it is obvious that he is only regularising what is the *status quo*, what is the actual state of affairs. Radicalism, as I understand, is something which goes ahead of the present state of affairs. If according to his figure most of the factories or, at any rate, quite a decent proportion of them are actually having a 48 hours week, there is no great credit for him. He should be one with us when we demand that the measure should be more radicalised in the course of the Select Committee's discussion. I should state that we should go to that length where the optimum length of the working day should be discovered with a view to having the maximum output per worker. That is:

the limit. That is not a problem which we can solve by mere discussion here. My honourable friend will certainly agree that it is a problem which requires serious consideration, a good deal of statistical research; but I do hope he will help us in the select committee; and if we find that a forty-hour week is the optimum length he should be with us, no matter what the capitalists in this country may say. I know that it has been often argued that if there are less hours of work production will be adversely affected. But as a result of the Factory Act of 1922 the experience has been that output has increased and efficiency has improved. If that is the experience, why should we believe that something else will happen if we lower the hours of work from 48 to less? In other countries you will find that this 40 hour week has been accepted. This convention of 48 hours was passed by the International Labour Conference in 1919—almost ages ago. "Since that year, however, working classes in many countries have set before them the goal of a 40 hour week as part of their further programme of reform. The Socialist Government under Blum in France provided for the enforcement of the 40 hour week, by a Decree in 1936. The Labour Government in New Zealand also passed an Act in 1936 which provided a 40 hour week for workers in factories, and a 44 hour week for those in shops. In U. S. A., the Fair Labour Standards Act, 1938, established as the goal a 40 hour week which was to be attained by gradual stages in the course of 3 years."

So I see nothing to prevent us from going to that length. I, therefore, respectfully submit that it is not in a spirit of auction that we are bidding only to gain votes. I assure Dr. Ambedkar that the voters outside will not be influenced by what we say here. They know they have full trust in the one organisation, namely, the Indian National Congress. If he has not learned by this time how much confidence the people have in this Party, it is time that he learnt it. I do not want to say anything further; but I do hope that he will be helpful in his attitude in the discussions in the Select Committee.

Sri T. V. Satakopachari (Tanjore *cum* Trichinopoly, Non-Muhammadan Rural): Sir, I wish to say a few words of suggestion to the Select Committee. I also welcome the Bill. In the first instance I also hesitated whether it would be to the interests of labour to refer the Bill back to a Committee for the simple reason that I have been associating references to select committee or circulation for eliciting public opinion with the familiar idea of shelving legislation or at least delaying it as far as possible. That is why I hesitated about it. Even now, I do not know whether a reference to select committee means a reference which is restricted in the sense in which we in the courts of law are familiar where a reference is made to a full bench on a particular proposition and the full bench meets and says a particular opinion, but it does not go further. I am afraid reference to a select committee is going to be such a restricted affair that it will not be very helpful at all. If the reference is going to be only with regard to the subjects which the Bill has dealt with, then I am afraid it will be necessary for some more Bills to be brought into this House and get them passed. That would not be conducive at all to a regular understanding of the labour problem or of dealing with it. It will multiply piecemeal legislation. If I am informed aright, I think the select committee can go further than the subjects which are indicated by the present Bill. That is, not only shorter hours of work, not only spreading over and other questions, but also about consolidating and giving us a labour legislation which is comprehensive and which deals with several aspects which are absolutely necessary for a modern country. I find that we have devoted more attention to dead machinery than to living machinery till now. I repeat the words of the first socialist, Robert Owen, when I say that: I would say that the Indian labour problem is not an isolated problem, but a problem which is part of the universal problem, and so if we lag centuries behind the world in modern concepts or in social security laws or labour legislation, we are bound to be left stranded politically, economically and socially. I would like that that is avoided. From the history of labour legislation in India I find, starting from the last quarter of the last century,

[Sri T. V. Satakopachari]

we have been making very slight progress, if it can be called progress at all. I find that at some time we thought that a person of 14 years of age was an adult, fit to be in mines and fit to be in factories; women were protected only by very recent laws; even now we find that on excuses or pretexts of war and emergency, women labour is impressed into service. That condition should not exist. I visualise there will be an increase in industry in the post-war period, and my Honourable friend the learned doctor envisages unemployment. Putting both together I should think that it would be well solved by a comprehensive legislation, not only in regard to the hours of work but also in regard to mobility of labour and standardisation of wages as far as possible, not only in industries but also in agriculture and in other allied activities of this country.

Sir, there is one thing which I wanted to mention if the Select Committee will think that it is worth while considering. Factory Inspectors in England and were complimented even by Karl Marx for their independence and integrity and for their great work in helping the labour of the country but in our country I am afraid it is not so. So, I would suggest to the Select Committee, if it is at all possible, to make the law more stringent in regard to the inspection of factories, more stringent in regard to the behaviour of factory inspectors and others who are placed to supervise these things. Then, Sir, I am also viewing with great apprehension the handing over of power to Local Governments to exempt from the operation of these laws certain cases and extend the hours whenever and wherever they feel it necessary. I believe a strong measure denying such rights to anybody would be much better. Then generally I would say that more educational facilities should be given to the children of the labourers. Creches should be started and greater maternity benefits should be given. There are social security plans and schemes in other countries. There is the Beveridge plan in England and there is the Philadelphia charter of last year in the U. S. A. I would suggest with all respect that the Select Committee might direct its attention to many of these things and if possible enlarge the scope of the Bill, improve it and do whatever is possible under the rather restricted reference to them.

Mr. Deputy President: The Honourable Member should make remarks which are relevant to the motion under discussion. He should not enlarge the scope of the Bill.

Sri T. V. Satakopachari: That is why I premised by saying that probably the reference may not be very useful.

Sri R. Venkatasubba Reddiar: To the names I have already submitted in regard to the Select Committee, I want to add two more names—Sri T. A. Ramalingam Chettiar and Rai Bahadur Bhattacharyya.

The Honourable Dr. B. R. Ambedkar: I accept them.

Mr. Deputy President: The question is:

"That the Bill be referred to a Select Committee consisting of the Honourable Sir Asoka Roy, the Honourable Dr. B. R. Ambedkar, Prof. N. G. Ranga, Sjt. N. V. Gadgil, Mr. Vadilal Lalubhai, Diwan Chaman Lal, Pandit Balkrishna Sharma, Mr. Muhammad Nauman, Mr. Muhammad M. Killedar, Sir Hasan Suhrawardy, Mr. S. C. Joshi, Mr. A. C. Inskip, Miss Maniben Kara, Mr. S. Guruswami, Chaudhry Sri Chand, Sri. T. A. Ramalingam Chettiar, Rai Bahadur D. M. Bhattacharyya, and the Mover, with instructions to report on or before the 7th March, 1946, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Friday, the 22nd February, 1946.