

11th March 1935

THE
LEGISLATIVE ASSEMBLY DEBATES

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Volume III, 1935

(9th March to 28th March, 1935)

FIRST SESSION

OF THE

**FIFTH LEGISLATIVE ASSEMBLY,
1935**



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1935

Legislative Assembly.

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Deputy President :

MR. AKHIL CHANDRA DATTA, M.L.A.

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MR. S. SATYAMURTI, M.L.A.

DR. ZIAUDDIN AHMAD, C.I.E., M.L.A.

RAJA SIR VASUDEVA RAJAH, KT., C.I.E., M.L.A.

MR. N. M. JOSHI, M.L.A.

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LEGISLATIVE ASSEMBLY.

Monday, 11th March, 1935.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rabim) in the Chair.

MEMBERS SWORN.

Mr. Girja Shankar Bajpai, C.I.E., C.B.E., M.L.A. (Secretary, Department of Education, Health and Lands); and

Mr. Alan Hubert Lloyd, C.S.I., C.I.E., M.L.A. (Government of India: Nominated Official).

QUESTIONS AND ANSWERS.

PLACES CONNECTED BY TRUNK TELEPHONES IN INDIA AND IN THE MADRAS PRESIDENCY.

793. *Mr. O. N. Muthuranga Mudaliar: (a) Will Government be pleased to state how many places have been connected by trunk telephones so far in India and in the Madras Presidency?

(b) What other places do Government contemplate connecting in India and in the Madras Presidency?

(c) What amount of money has been spent so far on the construction of trunk telephones?

(d) How much more do Government propose to spend in the future?

(e) Is the installation of the trunk telephones done departmentally, or through contractors? If the latter, will Government be pleased to state who the contractors were and by whom they were appointed?

(f) Are the wiring and other materials used purchased in India or in foreign countries? If the latter, in what country?

The Honourable Sir Frank Noyce: (a) 178 of which 19 are in the Madras Presidency.

(b) I lay on the table a statement giving the information required by the Honourable Member.

(c) Trunk telephones are provided by utilising telegraph plan to the fullest extent possible, the wires being thereafter utilised jointly for telegraph and telephone purposes. It is regretted, therefore, that it is not possible to state the amount so far spent on the construction of trunk telephones.

(d) With a rapidly expanding business of this kind it is not possible to say how much Government will spend on trunks in future. The cost of the telephone programme for 1935-36, approved by the Standing

Finance Committee of the Legislative Assembly at their meeting of February 1st, 1935, is estimated at about Rs. 37 lakhs of which about Rs. 20 lakhs is on account of telephone trunks.

(e) The installation of trunk telephones is done departmentally except in the case of proprietary articles in which case all the firms manufacturing such apparatus are invited to tender for the supply and installation of the plant in accordance with the Stores Purchase Rules. The firms whose tenders have been accepted by the Director General, Posts and Telegraphs, up till now, are Messrs. Siemens Brothers (India), the Indian Radio and Cable Communications Company and Messrs. Standard Telephones and Cables, Limited.

(f) The wiring and other materials are purchased in India. The second part does not, therefore, arise.

Statement of places proposed to be connected by Trunks in the Madras Presidency before March, 1936.

- | | |
|-----------------|-------------------|
| 1. Rajahmundry. | 11. Kumbakonam. |
| 2. Ellore. | 12. Negapatam. |
| 3. Gudivada. | 13. Virudhunagar. |
| 4. Narsaraupet. | 14. Trichur. |
| 5. Arkonam. | 15. Pollachi. |
| 6. Conjeevaram. | 16. Mettupalayam. |
| 7. Vellore. | 17. Tellicherry. |
| 8. Bangalore. | 18. Cannanore. |
| 9. Katpadi. | 19. Mangalore. |
| 10. Cuddalore. | 20. Salem. |

Statement of places proposed to be connected by 7 trunks in other parts of India excluding the Madras Presidency.

- | | |
|-------------------|-----------------|
| 1. Shahdara. | 23. Gonda. |
| 2. Badamibagh. | 24. Basti. |
| 3. Tandhinawala. | 25. Mirzapur. |
| 4. Tobateksingh. | 26. Jalpaiguri. |
| 5. Gidderbaha. | 27. Gauhati. |
| 6. Jagadhri. | 28. Mymensingh. |
| 7. Karnal. | 29. Chittagong. |
| 8. Shamli. | 30. Jamnagar. |
| 9. Khatauli. | 31. Wadhwan. |
| 10. Gurgaon. | 32. Kalol. |
| 11. Bhiwani. | 33. Godhra. |
| 12. Husear. | 34. Pottlad. |
| 13. Khurja. | 35. Navsari. |
| 14. Chandauni. | 36. Lonavla. |
| 15. Kasganj. | 37. Nasik. |
| 16. Pilibhit. | 38. Jalgaon. |
| 17. Etawah. | 39. Dhond. |
| 18. Shahjahanpur. | 40. Gadag. |
| 19. Sitapur. | 41. Hubli. |
| 20. Barabanki. | 42. Dharwar. |
| 21. Gorakhpur. | 43. Belgaum. |
| 22. Balrampur. | 44. Satara. |

Mr. B. Das: Why should not Government consider the allocation of capital expenditure according to the services rendered by the telegraph lines to telegraphs and telephones?

The Honourable Sir Frank Noyce: I pointed out that the telegraph wires are also used for trunk telephones. It is not possible, therefore, definitely to allocate the expenditure between the two branches.

Mr. B. Das: Why not allocate the expenditure proportionately?

The Honourable Sir Frank Noyce: The telephone branch pays the telegraph branch for the use of the wire. That seems sufficient.

Mr. Lalchand Navalrai: May I know with reference to part (f) if these wiring and other materials are made in India or they are imported from outside and purchased in India?

The Honourable Sir Frank Noyce: I think the position is that, except in the case of proprietary articles such as the actual telephones, the other apparatus, including the wires, are manufactured in this country.

Mr. Lalchand Navalrai: Is there no factory here which makes 'phones?

The Honourable Sir Frank Noyce: I gather not at present.

Seth Haji Abdoola Haroon: Are Government prepared to reduce the rate of trunk call charges when they are making a profit from it?

The Honourable Sir Frank Noyce: We have recently made some reduction and that quite a considerable reduction.

Mr. T. S. Avinashilingam Chettiar: Among the companies mentioned in part (e), are there any Indian companies?

The Honourable Sir Frank Noyce: The Indian Radio and Cables Communications Company is an Indian company and Messrs. Siemens Brothers have an Indian branch.

Mr. C. N. Muthuranga Mudaliar: May I know if the introduction of this system is likely to be remunerative?

The Honourable Sir Frank Noyce: Yes, undoubtedly.

Dr. Ziauddin Ahmad: In view of the profit in this direction and also to encourage the industries and commerce, will Government consider the desirability of further reducing the charges on telephone?

The Honourable Sir Frank Noyce: Yes, Sir, as the general financial position of the Department admits.

Mr. T. S. Avinashilingam Chettiar: Will the Honourable Member say whether the capital and management of the companies referred to in part (e) are Indian?

The Honourable Sir Frank Noyce: The Indian Radio and Cables Communications Company is, as I have said, definitely an Indian company. I think it has a majority of Indian Directors. I have no information as to the extent of capital held by Indians and others but I should have very little hesitation in saying that a majority of the capital is held by Indians. I have no particulars about the constitution of Messrs. Siemens Brothers.

DELIVERY OF LETTERS POSTED IN DELHI FOR MADRAS.

794. *Mr. C. N. Muthuranga Mudaliar: (a) Are Government aware that letters posted in Delhi for Madras are delivered on the fourth day, in spite of the train reaching Madras on the third day at 4-10 A.M.?

(b) Are Government prepared to arrange for the delivery of the letters in Madras on the same day?

(c) If it is not possible, are Government prepared to consider speeding up the Grand Trunk Express so as to reach Madras by 3 P.M. and arrange for delivery of letters in the evening?

Mr. G. V. Bewoor: (a) Yes. Articles posted in Delhi in time to catch the Grand Trunk Express train, to which the Honourable Member is presumably referring and which leaves Delhi station at 5-10 P.M., are delivered at Madras in the early morning of the fourth day. The Grand Trunk Express train is due to reach Madras on the third day at 4-30 P.M. and not at 4-10 A.M., as stated by the Honourable Member.

(b) As the last delivery is issued from the Madras General Post Office at 4 P.M. and from town sub-offices between 3-45 P.M. and 4-45 P.M., it is not possible to make a delivery through postmen of the articles received by the Grand Trunk Express on the day of their arrival at Madras. A window delivery of these mails on the day of their arrival is, however, being arranged.

(c) The matter is under consideration.

Mr. F. E. James: May I ask whether he is aware of the fact that there is no such thing in Madras as delivery of the post in the early morning. The post is invariably delivered between 10 A.M. and 11 A.M., unless that is considered early morning?

Mr. G. V. Bewoor: I am afraid I have not got exact information as to when the early morning delivery is made in Madras. If necessary, I shall obtain the information.

MR. MENON'S REPORT TO SAFEGUARD THE INDIAN INTERESTS IN ZANZIBAR.

795. *Mr. C. N. Muthuranga Mudaliar: (a) What action do Government propose to take on Menon's Report to safeguard the Indian interests in Zanzibar?

(b) Is it a fact that a few paragraphs in Menon's Report have been expunged?

(c) If the answer to part (b) be in the affirmative, will Government be pleased to state what subjects they relate to and why they were expunged?

Mr. G. S. Bajpai: (a) I would refer the Honourable Member to the statement on the subject made by His Excellency the Governor General in the course of his address on 24th January.

(b) No.

(c) Does not arise.

Mr. C. N. Muthuranga Mudaliar: Is the Honourable Member sure that no part of the report has been expunged?

Mr. G. S. Bajpai: I can give my Honourable friend an assurance based on personal editing of the report that not a comma or full-stop has been altered.

Mr. C. N. Muthuranga Mudaliar: Was the report submitted to the Government of India or to the Secretary of State in the first instance?

Mr. G. S. Bajpai: The report was made to the Government of India who deputed the officer to Zanzibar.

Mr. B. Das: May I inquire if any further progress has been made since His Excellency made his statement in this House?

Mr. G. S. Bajpai: The position now has developed to this extent that we have now received not merely the comments of the Resident at Zanzibar, but also the comments of the Secretary of State for the Colonies. We hope to be able to convene a meeting of the Standing Emigration Committee on the 18th or 19th of this month to review the whole problem and advise us as to what the nature of our representations to the Colonial Office should be.

Mr. B. Das: May I inquire also if Government have applied pressure on the Colonial Secretary that Indian opinion feels very strongly on the Zanzibar question and the Colonial Secretary must take strong action?

Mr. G. S. Bajpai: The pressure of Indian opinion and the arguments of the Government of India is being consistently applied on the Secretary of State for the Colonies.

Dr. T. S. S. Rajan: Have the Government of India received any reply from the Secretary of State for the Colonies?

Mr. G. S. Bajpai: That is what I said just now that we received a reply from the Secretary of State for the Colonies recently and are considering it.

Mr. S. Satyamurti: Have the Colonial Government been asked to stay their hands, and not to carry out this policy till the Government of India make their representations?

Mr. G. S. Bajpai: When the legislation was passed in July, we made a representation to the Secretary of State for the Colonies to the effect that no action be taken until the representations of the Government of India have been considered, but unfortunately that was not acceded to by the Colonial Office.

Mr. S. Satyamurti: Will the Government of India renew their efforts in that direction, and see that the hands of the Colonial Office are stayed, till they have considered the Government of India's representations?

Mr. G. S. Bajpai: From the practical point of view, the question now is not of immediate importance, because the operations of the Clove Growers' Association relates to the clove crop and the last crop is already on the market. The next crop does not come on the market until July.

Mr. S. Satyamurti: In the meantime, will the Government of India take necessary steps to protect the interests of Indians before the next crop comes on?

Mr. G. S. Bajpai: I have informed my Honourable friend that we propose to convene a meeting of the Standing Emigration Committee within the next few days with a view to formulating our representation.

Maulana Shaukat Ali: May I ask if the Government of the Sultan of Zanzibar and the people there have been consulted in this connection?

Mr. G. S. Bajpai: It is the Legislative Council of Zanzibar which passed the decrees.

EFFECTS OF THE FLOODS IN THE DISTRICTS OF NOWGONG AND SYLHET.

796. ***Mr. Basanta Kumar Das:** (a) Were the Government of India made aware by the Government of Assam of the effects of the floods in the districts of Nowgong and Sylhet during the last rains? If so, did Government receive, and are they still receiving, reports from time to time from the Government of Assam about the nature of the distress of the people caused by the said floods and also about the measures the said Government took for relieving the distress of the people?

(b) Have Government been made aware of by the Assam Government that acute distress is still prevailing in the flood-stricken areas and specially in the Habiganj Sub-division?

(c) Have Government been made aware by the Assam Government that there were reports of some deaths from starvation in the Sunamganj, Sadar and Habiganj sub-divisions of the district of Sylhet?

(d) Did Government of Assam apply to the Government of India for financial assistance for the relief of the distress of the flood-stricken people of Nowgong and Sylhet? If so, will Government please state the extent of the financial assistance, if any, granted to the Government of Assam by the Government of India?

(e) Are Government aware that the Government of Assam did not accept the survey reports of the various non-official relief organisations about the extent of the distress of the people due to floods, and are Government aware that there was a general complaint published in the newspapers of Calcutta and of Assam that the Government of Assam minimised the effects of the floods in Nowgong and Sylhet and that the relief that was granted to the people was very inadequate? If so, are Government prepared to make an enquiry into this complaint?

(f) Did the Government of Assam get any grant from the Government of India out of the Famine Insurance Fund in the years 1929 and 1934? If so, what was the sum received in each of these two years by the said Government?

Mr. G. S. Bajpai: (a), (b), (c) and (e). The Honourable Member is referred to the answer given to Mr. Abdul Matin Chaudhury's short notice question on the 23rd July, 1934. The main piece of information received by the Government of India since has been that Rs. 49,000 was sanctioned for gratuitous relief in Nowgong and Rs. 30,000 in Sylhet, that construction of roads at a total estimated cost of Rs. 35,000 was taken up in Nowgong as a means of relief to the able-bodied, and that money was also placed at the disposal of Deputy Commissioners for distribution in agricultural loans, but the amount required for the purpose is not known.

(d) The answer to the first part of the question is in the negative. The second part does not arise.

(f) Famine relief being a provincial subject, the Government of India do not maintain any famine insurance fund.

Mr. Basanta Kumar Das: With regard to (b), are Government aware of any distress now prevailing in the district of Sylhet?

Mr. G. S. Bajpai: I have already informed my Honourable friend that we have had no further report from the Government of Assam as regards the prevalence of distress. The only report that we have had is as regards the steps taken to continue the relief work which was started in July.

Prof. N. G. Ranga: In what circumstances and subject to what rules do the Government of India come to the rescue of the Local Governments in times of such local distress?

Mr. G. S. Bajpai: The rule of necessity, I take it, Sir.

Prof. N. G. Ranga: Who manages the Famine Insurance Trust?

Mr. G. S. Bajpai: I have informed the House that as famine relief is a provincial subject, the Government of India do not maintain any famine insurance fund. There is a people's famine fund which is an entirely separate and independent organisation, and that organisation did make a grant of 1½ lakhs of rupees to the Government of Assam for this particular distress.

Prof. N. G. Ranga: Do the Government of India pay anything to that trust?

Mr. G. S. Bajpai: No, Sir; the Government of India do not pay any money to that trust.

Mr. M. Ananthasayanam Ayyangar: Have the Government of India any voice in the management of that trust?

Mr. G. S. Bajpai: Not as the Government of India.

Srijut N. C. Bardaloi: Have the Government of India received any report regarding the state of crops in the affected areas now after the flood?

Mr. G. S. Bajpai: No, Sir; we have not had any recent report as regards the state of crops in the affected areas, but if my Honourable friend would like to have information on the subject, I will obtain it.

Srijut N. O. Bardaloi: Are loans granted to the people whose crops and households have been damaged by the floods?

Mr. G. S. Bajpai: The Government of Assam at the time sanctioned something like a lakh of rupees for the grant of loans to the raiyats for purchase of seed and for purchase of cattle. Their estimate was that they might have to spend as much as four lakhs. What actually they have spent I am not in a position to say.

REPORT OF THE ASSAM FLOOD ENQUIRY COMMITTEE.

707. ***Mr. Basanta Kumar Das:** (a) Did Government receive any copy of the report of the Assam Flood Enquiry Committee that was appointed in pursuance of a resolution of the Assam Legislative Council in its September Session of 1929?

(b) Is it not a fact that one of the main points of enquiry was how far the railway alignment of the Sylhet-Kulaura Branch of the Assam Bengal Railway was responsible for the inundation of a considerable tract of land between Fenchuganj and Sylhet town during rains, causing every year a failure of crops in that area? If so, will Government be pleased to state what were the findings and recommendations of the Enquiry Committee on that point?

(c) Did the Assam Bengal Railway Company take any action in carrying out the recommendations of the Enquiry Committee on the said point? If so, will Government be pleased to state when and how these recommendations were given effect to by the Assam Bengal Railway?

(d) Are Government prepared to enquire if the railway alignment between Sylhet and Fenchuganj is still the cause of the failure of paddy crops in a considerable area of land between Fenchuganj and Sylhet?

Mr. P. R. Rau: (a) Yes.

(b) Yes. It was one of the points of enquiry; but the contention that a failure of crops was caused every year does not appear to have been generally accepted. The Committee agreed that the provision of more waterways in the bank, along the section Fenchuganj to mile 236, was a matter for further examination and that additional openings should be given to drain the area round about miles 230-232 of the Kulaura-Sylhet Branch, the size of the openings required to be worked out after a detailed examination.

(c) I will obtain the information required from the Assam Bengal Railway and will lay a statement on the table when it is received.

(d) Government have no reason to believe that this is the case, but are making enquiries.

Mr. Basanta Kumar Das: How long will the railway take to open up further passages for water?

Mr. P. R. Rau: I have called for the information from the Assam Bengal Railway. I have not got it at the present moment.

Mr. B. Das: With reference to part (b), will the Honourable Member kindly state whether he did or did not accept the finding that railway alignment was not responsible for the floods? And does the Honourable Member bear in mind the report of one of the former Railway Chief Engineers, Mr. Rallia Ram that railway embankments are responsible for a good deal of floods in Bengal, Assam and Orissa?

Mr. P. B. Rau: I do not remember to have seen any statement from the Chief Engineer whom my Honourable friend quotes to that effect.

Srijut N. O. Bardaloi: Are Government taking any steps to have more waterways on the Assam Bengal Railway on the Nowgong section and between Chaparmukh and Silghat stations, because that is the part most affected on account of there being no waterways?

Mr. P. B. Rau: I shall call for a report from the Assam Bengal Railway on that point also.

CIRCULARS ISSUED TO LOCAL GOVERNMENTS REGARDING TOURS OF DISTRICT OFFICERS.

798. **Mr. S. Satyamurti:** Will the Honourable the Home Member be pleased to state:

- (a) whether any circular to the Local Governments, asking them to impress on District Officers the need for touring in the districts, specially in out of the way places, was issued by the Government of India from the year 1931 to the end of 1934, except the circular referring to Mahatma Gandhi's Village Industries Association;
- (b) if so, the date or dates of such circular or circulars; and
- (c) whether it is not a fact that the above mentioned circular was the only circular on this matter issued in recent years by the Government of India?

The Honourable Sir Henry Craik: (a), (b) and (c). I cannot trace any letter to Local Governments dealing specifically with the question of touring by district officers. But the necessity of effective touring has, so far as I am aware, been frequently impressed upon district officers by the Local Governments, and such instructions have the full support of the Government of India.

Mr. S. Satyamurti: May I take it, therefore, that, so far as the Government of India are concerned, this is the very first circular on this matter?

The Honourable Sir Henry Craik: I said I cannot trace any letter, but letters are not tabulated under the heading of "Touring", and so possibly there may have been some letter which I have been unable to trace. But anyhow I have not traced any letter since the date mentioned in the question, that is, 1931.

Mr. S. Satyamurti: Therefore, may I take it that Mahatma Gandhi's statement about forming the Village Industries Association was the first occasion, to the best of the Honourable Member's knowledge, on which

the Government of India issued a circular, asking the Local Governments to direct their officers to go to out-of-the-way places, and get into contact with the villagers in those places?

The Honourable Sir Henry Craik: As I explained, Local Governments have frequently impressed upon their officers the necessity of touring. The question of touring by district officers is a matter mainly for the Local Government.

Prof. N. G. Ranga: Are the Government of India aware of the fact that a Minister of the Madras Government, Diwan Bahadur Kumaraswami Reddiar, has stated in a speech of his that he has already issued the necessary instructions to all the local officers and District Collectors that effect should be given to this Hallett circular?

The Honourable Sir Henry Craik: No, I am not aware of that.

Prof. N. G. Ranga: Will the Honourable Member make inquiries and ascertain if it is a fact or not?

The Honourable Sir Henry Craik: Yes, I will.

Mr. S. Satyamurti: May I take it, therefore, that so far as the Government of India can give any information to the House now on the materials with them, but for the one about Mahatma Gandhi's forming this Village Industries Association, there is no other circular?

Mr. President (The Honourable Sir Abdur Rahim): That question has been answered.

Prof. N. G. Ranga: Do the Government of India propose .

Mr. President (The Honourable Sir Abdur Rahim): Next question.

IMPORT OF JAPANESE TILES INTO INDIA.

799. **Mr. S. Satyamurti:** Will the Honourable the Commerce Member be pleased to state:

- (a) whether any Japanese tiles have been imported into India up to date since the beginning of last year;
- (b) if so, the prices of such tiles compared with Indian tiles; and
- (c) whether Government propose to take any action in the matter?

The Honourable Sir Joseph Bhoré: (a) to (c). Information is being collected and will be laid on the table in due course. Government will also review the position in the light of that information.

Mr. S. Satyamurti: When?

The Honourable Sir Joseph Bhoré: As soon as it is received.

Mr. S. Satyamurti: Will it be before the danger to the tile industry becomes serious?

The Honourable Sir Joseph Bhoré: I am not aware that there is any danger at the present moment to the tile industry.

Mr. S. Satyamurti: Has the Honourable the Commerce Member examined any materials, before coming to that conclusion?

The Honourable Sir Joseph Bhoré: I can reply definitely to the Honourable Member and tell him that, to the best of my recollection, we have received no representations on that point.

Prof. N. G. Ranga: Have the Government of India received any report from the Madras Government regarding the imports of Japanese tiles?

The Honourable Sir Joseph Bhoré: Not to the best of my recollection.

NON-RECOGNITION OF THE ENTRANCE EXAMINATION OF THE INDIAN WOMEN'S UNIVERSITY, POONA.

800. ***Mr. M. S. Aney:** (a) Will Government be pleased to state whether the Nagpur University submitted to the Government of India for sanction any recommendation for the recognition of the Entrance Examination of the S. N. D. T. Indian Women's University, Poona, as equivalent to the Central Provinces High School Certificate Examination?

(b) Is it a fact that the Academic Council and the Executive Council were unanimous in making the above recommendation?

(c) Will Government be pleased to inform this House whether the above recommendation is approved by the Government of India? If not, why not?

(d) Are Government aware of the fact that the rejection of the above recommendation will virtually result in the denial of collegiate education to a considerable number of girls in Central Provinces and Berar, who are studying in the High Schools affiliated to the above S. N. D. T. Indian University and thus adversely affect the progress of higher education of girls in the Central Provinces and Berar?

(e) Will Government be pleased to state whether in the interest of the cause of female education, they propose to reconsider the question, in the case the above recommendation has already been rejected by them?

Mr. G. S. Bajpai: (a) and (b). Yes.

(c) The recommendation of the Nagpur University was not accepted by the Government of India as the "Entrance" examination of the Indian Women's University, Poona, is not recognised either by the Government of Bombay or by the Bombay University as equivalent to the Matriculation Examination of the Bombay University. In fact the standard is said to be lower than that of the Bombay Matriculation Examination.

(d) If girls in the schools in question desire to proceed to the Nagpur University, the authorities of the schools are at liberty to seek association with the appropriate authority in the Central Provinces.

(e) For the reasons mentioned in reply to part (c) above, Government regret their inability to re-consider the question.

Mr. M. S. Aney: The Central Provinces High School Certificate Examination is equivalent to the Entrance Examination of the S. N. D. T. Indian Women's University, is the conclusion of the Nagpur University. May I ask, on what ground does the Honourable Member challenge that conclusion?

Mr. G. S. Bajpai: The Honourable Member might be interested to hear that on receipt of the communication of the Government of the Central Provinces, which was against acceptance of the recommendation of the Nagpur University, the Government of India asked for a copy of the deliberations of the academic body concerned. They found that the academic body concerned had agreed to accept the Entrance Examination of the University mentioned as equivalent to the Matriculation or the highest standard examination of the Nagpur University on the statement of the University authorities in Poona that the Government of Bombay accepted the Matriculation Examination as equivalent to theirs: then an inquiry was made from the Bombay University, and they said it is not so: on the contrary, the Entrance Examination of the University is definitely on a lower standard.

Mr. M. S. Aney: Is it not a fact that the Entrance Examination of the Indian Women's University at Poona has been recognised for certain purposes as equivalent to the Matriculation Examination, for example, for the purpose of admitting candidates to the Secondary Teacher's Examination in Bombay?

Mr. G. S. Bajpai: On that point also we made an inquiry from the Government of Bombay, and the report of the Director of Public Instruction was that only in individual cases had permission been given for appearing at this examination, and that generally the standard was not accepted as equivalent.

Mr. M. S. Aney: Have the Government of India sent for the curriculum of studies of both these examinations and compared them?

Mr. G. S. Bajpai: The Government of India have information as regards the curricula of those examinations: but my Honourable friend will agree that it is not merely on the paper examination of subjects that one can decide whether the standards are equivalent or not.

Mr. M. S. Aney: Do the Government of India mean to say that those who were responsible for the decision of the Nagpur University were not competent to come to any conclusions on this point?

Mr. G. S. Bajpai: I am not submitting that at all. What I am submitting is that the University of Nagpur came to what we consider to be a wrong conclusion based on incomplete information.

Mr. M. S. Aney: Was that the sole reason or one of the reasons?

Mr. G. S. Bajpai: No: that is the sole reason: we are merely concerned with the equivalence of educational standards: there is absolutely no other consideration present in the mind of the Government at all, and if this University can satisfy the University of Bombay of the equivalence of its standards, I can assure my Honourable friend that we will reconsider the matter.

Mr. M. S. Aney: Is it not a fact that Government have got a certain bias or prejudice against a non-statutory body?

Mr. G. S. Bajpai: No.

Mr. M. S. Aney: Is not that fact mentioned in its letter to the Nagpur University?

Mr. G. S. Bajpai: We have not said in our letter to the University of Nagpur or, for that matter, to anybody, that because this University is a non-statutory University, therefore we are not going to recognise its examination as equivalent to other University examinations.

Mr. M. S. Aney: Will the Government of India be pleased to publish the whole of the letter addressed to the Nagpur University on this point?

Mr. G. S. Bajpai: I shall consider that suggestion, certainly.

Mr. S. Satyamurti: May I take it that the Government of India, therefore, have not examined the equivalence of the standards of these examinations of the Women's University and the Central Provinces High School Certificate Examination?

Mr. G. S. Bajpai: The Government of India have no machinery for the purpose of examining the equivalence of standards—they can send down the Educational Commissioner to attend the examinations and then report to them; but it seems to be an unnecessary procedure in this particular case, because it is open to the University in Poona to get recognition by the University of Bombay.

Mr. S. Satyamurti: But what about the Nagpur University? Why is not the Nagpur University allowed to set its own standards of admission? What are the reasons on which the Government of India have interfered with the academic freedom of the Nagpur University, which has agreed to accept this examination?

Mr. G. S. Bajpai: We are not in any way disputing the freedom of the Nagpur University to determine its own standards of examination: but, as I have already explained to this House, our opinion is that in this particular case the Nagpur University had incomplete information. It was told that the University of Bombay and the Government of Bombay had accepted the entrance examination as equivalent to the Matriculation Examination: on the other hand, the report of the Government of Bombay is that neither they nor the University of Bombay had accepted it as equivalent.

Mr. M. S. Anay: May I ask whether, on receiving information from the Bombay Government and the Bombay University, they referred this point to the Nagpur University once more for their explanation, before they came to their conclusions?

Mr. G. S. Bajpai: It was not necessary to refer that letter to the University of Nagpur. The Government of India, on the basis of material facts before them, came to the conclusion, and they reported that conclusion to the University of Nagpur. There is nothing to prevent the Nagpur University from approaching the Government of India again.

FRANCHISE FOR NON-CEYLONESE RESIDENTS IN CEYLON.

801. ***Mr. Sri Prakasa:** Will Government be pleased to state whether it is a fact that in the case of non-Ceylonese residents in Ceylon, the franchise is limited by the application of (i) a literacy test, as a result of which proficiency in Indian vernaculars (barring Tamil which is recognised as a vernacular of Ceylon) does not qualify one for the vote, while a smattering of English does, and (ii) an income test which nearly 95 per cent. of the Indians in Ceylon are unable to satisfy?

Mr. G. S. Bajpai: No, Sir.

Mr. Sri Prakasa: Have Government taken any action on the Resolution passed by this Assembly in 1930 on the motion of Pandit Hirday Nath Kunzru?

Mr. G. S. Bajpai: As a matter of fact, it was in consequence of the action taken by the Government of India on the Resolution passed by this House that the Secretary of State for the Colonies revised the original terms of the Order in Council so as to make five years' residence with declaration of intention to reside in the Island sufficient for eligibility for the vote.

Mr. Sri Prakasa: What about the literacy test?

Mr. G. S. Bajpai: This is only an alternative test: that is to say, for those people who do not qualify residentially they may seek election under this.

Mr. T. S. Avinashilingam Chettiar: Am I to understand that people who do not reside there for five years but who are literate are eligible for votes?

Mr. G. S. Bajpai: There are two qualifications—they are alternative to each other. One is the residential qualification: five years' residence and intention to continue to reside in the island permanently or indefinitely. The other is the possession of a literacy qualification coupled with a property qualification. These are the two qualifications.

Mr. T. S. Avinashilingam Chettiar: Even if they do not reside?

Mr. G. S. Bajpai: That is so.

Prof. N. G. Ranga: Regarding the literacy qualification, is it not a fact that there are a large number of Telugus in Ceylon and they do not have the advantage of satisfying this literacy test, as the only recognised vernacular of Ceylon is Tamil?

Mr. G. S. Bajpai: We have had no representations on that subject from anybody in Ceylon.

Mr. Sri Prakasa: May I know, Sir, if the income test is the same for the Ceylonese as it is for Indians?

Mr. G. S. Bajpai: It is a general test; it applies to everybody equally.

DISCHARGE OF INDIANS IN CEYLON.

802. ***Mr. Sri Prakasa:** (a) Is it a fact that a certain Ceylon Local Board discharged without grant of pension or gratuity, 180 Indians who had been employed under it for a considerable length of time, and that other cases of the same nature have happened not only in Local Boards but in other departments of Government as well?

(b) Is it a fact that representations were made to the Director of Education in 1931 on behalf of some Indian teachers against an Assistant Inspector of Schools who had shown pronounced anti-Indian bias, and that no enquiry was held?

(c) How many Indian teachers employed in Ceylon have had to leave service since 1930?

Mr. G. S. Bajpai: (a) In 1931 the Urban District Council, Moratuwa, decided as a measure of economy, to have the work of scavenging and road-sweeping done on contract and as a result discharged 180 labourers. They were not given any gratuity because they were not eligible for it. Government are not aware of any other case of that nature.

(b) In 1930, representations were made to the Agent of the Government of India in Ceylon alleging that a District Inspector of Schools had shown bias against certain Indian teachers employed at Jaffna, which were brought to the notice of the Government of Ceylon. The Director of Education enquired into the allegation and found it groundless. The Government of India are not aware whether any representations were also made to the Director of Education direct.

(c) Government have no information; but have made inquiries.

Mr. Sri Prakasa: Is it not a fact, Sir, that the person who was asked to inquire was the same person against whom allegations were made? I have the facts before me.

Mr. G. S. Bajpai: Well, Sir, I have no further information that I can give to the House. If my Honourable friend is in possession of any facts which give rise to the thought that the inquiry was incomplete, I shall be glad to communicate the facts to the Agent of the Government of India in Ceylon for such action as he may desire to take.

Prof. N. G. Ranga: Will the Honourable Member try and ascertain the number of Indian teachers employed in Ceylon who have had to leave that service in 1930?

Mr. G. S. Bajpai: Well, Sir, I can assure my friend that if any attempt at racial displacement of any section of Indian teachers or others had been attempted, the Agent in Ceylon would have brought the matter at once to the notice of the Government of India.

DISQUALIFICATION OF INDIANS FOR COMPETITION FOR SERVICES IN CERTAIN FOREIGN COUNTRIES.

803. ***Mr. Sri Prakasa:** Is it a fact that Canadians, Australians, South Africans, Ceylonese, etc., can compete for the Indian Civil Service, and that Indians cannot compete for their services or get any other equal rights?

The Honourable Sir Henry Craik: Canadians, Australians, South Africans, and Ceylonese, in common with other British subjects, can compete for the Indian Civil Service in London. As regards the admission of Indians to the Ceylon Civil Service, I would invite the Honourable Member's attention to my reply to Mr. Samuel Aaron's question No. 456 on the 22nd February. So far as the Government of India are aware, there is no statutory bar to the appointment of lawfully resident Indians to the civil services of the dominions mentioned.

Mr. M. Ananthasayanam Ayyangar: May I know, Sir, if there are any Indians in the Civil Service of other Dominions?

The Honourable Sir Henry Craik: Not so far as I am aware.

Mr. T. S. Avinashlingam Chettiar: Will the Honourable Member kindly read the answer to Mr. Samuel Aaron's question?

The Honourable Sir Henry Craik: It was answered only a few days ago, but the relevant portion was this. I was asked:

"Do Government propose to consider the advisability of addressing the Government of Ceylon for granting reciprocal rights to Indians in this regard?"

My reply was:

"The question of asking the Government of Ceylon to reconsider their policy in this matter was fully examined some years ago, and the conclusion reached was that it was very doubtful if any useful purpose would be served by such an attempt. I may add, however, that the question of the exclusion of the Ceylonese from the Indian Civil Service under the new Constitution is under discussion with the Secretary of State."

Mr. President (The Honourable Sir Abdur Rahim): The Chair would point out to the House that when an answer was given to the House only a few days ago, it is sheer waste of time of the House to ask the Honourable Government Member to repeat the answer.

DISQUALIFICATION OF INDIANS TO GET CROWN LANDS IN CEYLON.

804. ***Mr. Sri Prakasa:** Is it a fact that owing to recent legislation, Indians cannot get Crown lands in Ceylon?

Mr. G. S. Bajpai: The attention of the Honourable Member is invited to the answer given by me to Mr. Abdul Matin Chaudhury's question No. 1 on the 5th February, 1935.

SAFEGUARDING THE INTERESTS OF INDIAN EMIGRANTS TO CEYLON.

805. ***Mr. Sri Prakasa:** Has the attention of Government been drawn to the debate in the Ceylon State Council on December 18, 1934 and,

if so, do Government propose to take any steps to safeguard the interests of Indian emigrants to Ceylon?

Mr. G. S. Bajpai: I would refer the Honourable Member to the replies given by me to Professor N. G. Ranga's question No. 428 and Mr. Samuel Aaron's question No. 457, on the 22nd February.

Prof. N. G. Ranga: Has any reply been received from the Colonial Secretary to the representations made by the Government of India?

Mr. G. S. Bajpai: No occasion has arisen for any representation on this question to the Secretary of State for the Colonies.

EMPLOYMENT OF WOMEN IN GOVERNMENT OF INDIA DEPARTMENTS.

906. ***Mr. Sri Prakasa:** (a) Will Government please state in what departments and for what kinds of work they employ women?

(b) Is there a bar for the employment of a married woman in any of these?

(c) If not, are Government prepared to see that married women are employed for lesser number of hours than others and are given proper leave, with full pay, for sufficient periods at times of confinement?

The Honourable Sir Henry Crank: (a) I presume that the Honourable Member's question refers to the Departments of the Government of India Secretariat. If so, ladies are generally employed as clerks, and sometimes as stenographers.

(b) There is no bar to the employment of married lady clerks on the civil side of the Secretariat, but in Army and Royal Air Force Headquarters it is the rule that lady clerks should resign on marriage.

(c) Government do not consider it necessary to reduce the number of working hours for married lady clerks. The contingency contemplated by the Honourable Member is provided for in the rules under which maternity leave on full pay is admissible up to a period of three months, and leave of any other kind may be taken in continuation thereof on production of a medical certificate.

Mr. Sri Prakasa: What about the women employed in the Telephone Department?

The Honourable Sir Frank Noyce: There is no bar against the employment of married women in the Telephone Department; there is, in the Telegraph Department.

Mr. Sri Prakasa: What about parts (b) and (c) of my question as regards women employed in the Telephone Department?

The Honourable Sir Frank Noyce: I should require notice of that question.

Mr. Sri Prakasa: Notice has already been given.

The Honourable Sir Henry Craik: No, Sir; I said I presumed that my Honourable friend's question related to the Departments of the Government of India Secretariat, and my answer only covered the women employed in the Secretariat.

Mr. Sri Prakasa: I did not mention the Secretariat at all.

The Honourable Sir Henry Craik: Then, you should have asked the question to the Department concerned.

Mr. M. Ananthasayanam Ayyangar: Why is this discrimination made? Are not married women allowed to continue as clerks in the Royal Air Force?

Mr. G. E. F. Tottenham: I have explained before that both in the Army Headquarters and in the Royal Air Force, the view held is that when these lady clerks get married, they have other interests which occupy their minds to the exclusion of official matters.

CENSORING OF PRIVATE CORRESPONDENCE.

807. ***Mr. Sri Prakasa:** (a) Will Government please state on what principle they censor private correspondence?

(b) Are Government aware that in the process of censorship, large numbers of letters get inordinately delayed or even lost or are put in wrong envelopes?

(c) Are Government aware that the regumming after censorship is so clumsy that letters have to be torn out of their envelopes?

(d) Are Government prepared to offer any relief to those who may feel that they are being unnecessarily harassed and wronged by the censorship on their correspondence?

The Honourable Sir Henry Craik: (a) I would refer the Honourable Member to the provisions of section 20 of the Post Office Act which provides for the interception of correspondence.

(b) and (c). No.

(d) Does not arise.

Prof. N. G. Ranga: Is the Honourable Member aware that the correspondence of a large number of Honourable Members of this House is tampered with by the postal authorities and the police?

The Honourable Sir Henry Craik: No, Sir.

Mr. S. Satyamurti: What are the principles on which the Government are now enforcing the sections of the Indian Post Office Act in respect of censoring correspondence?

The Honourable Sir Henry Craik: I would refer the Honourable Member to the provisions of the Act itself.

Mr. S. Satyamurti: I want to know how it is being worked, for instance, in respect of the correspondence of Members connected with the Indian National Congress?

The Honourable Sir Henry Craik: I am not prepared in the public interest to disclose any further information on the subject.

Mr. S. Satyamurti: Is there any censoring at all being done?

The Honourable Sir Henry Craik: I have nothing to add.

Pandit Govind Ballabh Pant: Is the Honourable Member aware that the correspondence of certain Honourable Members of this House is censored at the Delhi Post Office?

The Honourable Sir Henry Craik: No, Sir; I am not aware of it.

Pandit Govind Ballabh Pant: Will Government make an inquiry into the matter?

The Honourable Sir Henry Craik: I have said, Sir, that I am not prepared to disclose any further information regarding the working of the provisions of certain sections of the Post Office Act.

Pandit Govind Ballabh Pant: I am not asking for any disclosure to be made. My question is whether Government will be pleased to make an inquiry into the matter as to whether the correspondence of any Honourable Member of this House is tampered with by the Censor?

The Honourable Sir Henry Craik: No, Sir.

Mr. Sami Venkatchelam Chetty: May I know if the Home Member's correspondence also is censored?

The Honourable Sir Henry Craik: Possibly.

Mr. Sri Prakasa: Will Government be pleased to instruct the post offices to regum the letters that they censor, more properly than they do now? It is very hard to pull these letters out. I can lay a number of those letters on the table if the Honourable Member wants.

(No answer.)

IMPORT OF WHEAT IN INDIA.

808. ***Mr. Sri Prakasa:** (a) Has the attention of Government been drawn to the figures regarding imports of wheat in India during the period April, 1934 to January 1935, as published in the *Indian Trade Journal* of February 14, 1935?

(b) Is it a fact that Calcutta imported 2,968 and Bombay 4,464 tons of foreign wheat during that period? If so, what was the protective duty realised on this? If anything has been realized, how is it that under the Indian Customs Revenue Return up to the 31st January, 1935, published

in the *Indian Trade Journal* of February 14, there is no mention of the realisation of any income from this source?

(c) What quantity, if any, was exported out of this to cover the terms of the Finance Department (Central Revenue) Notification No. 14, dated April 9, 1932? If it is true that Calcutta exported only 141 tons during this period, why was protective duty not realised on the balance?

(d) Is it a fact that the duration of protective rate of duty ends on March 1, 1935? If so, do Government propose to bring in a Bill to continue that or any enhanced duty on foreign wheat?

The Honourable Sir Joseph Bhoré: (a) Yes.

(b) The reply to the first portion is in the affirmative. As regards the second portion, no duty has been realised. The entire quantity imported into Calcutta was passed free under the Finance Department Notification No. 14, dated the 9th April, 1932. Of the 4,464 tons of wheat imported into Bombay, 1,068 tons were allowed free entry under this Notification and the balance is still lying in bond. The reply to the last portion does not, therefore, arise.

(c) Information regarding the first portion of this part is being obtained and will be supplied to the House in due course. As regards the second portion, the figure of 141 tons mentioned by the Honourable Member represents Indian wheat and not wheat flour exported from India.

(d) The present operation of the Wheat (Import Duty) Act is up to the 31st March, 1935. The question whether it should be extended is under consideration.

Mr. Sri Prakasa: How long will Government take to consider this matter? There are not many days left now?

The Honourable Sir Joseph Bhoré: The consideration is almost complete.

Prof. N. G. Ranga: When do Government expect to reach a decision regarding the extension of the import duty on wheat?

The Honourable Sir Joseph Bhoré: I have already given a reply to that question in answer to my Honourable friend, Mr. Sri Prakasa.

Mr. T. S. Avinashlingam Chettiar: What is the result of the consideration?

Seth Haji Abdoola Haroon: Is it not a fact that Government have already granted protection to wheat?

The Honourable Sir Joseph Bhoré: My Honourable friend knows that there is an import duty on wheat and it extends up to the 31st March this year.

Seth Haji Abdoola Haroon: May I know whether Government will enhance the import duty on wheat, or do they propose to have an excise duty on wheat just as they have an excise duty on sugar?

An Honourable Member: Do you want an excise duty?

The Honourable Sir Joseph Bhor: I am afraid I cannot follow my Honourable friend at all.

SELECTION GRADE POSTS ABOLISHED OR CONVERTED INTO TIME-SCALE APPOINTMENTS IN THE POST OFFICES AND THE RAILWAY MAIL SERVICE.

809. ***Mr. V. V. Giri:** (a) Will Government be pleased to state the number of the selection grade posts in each designation that were abolished or converted into time-scale appointments in each designation in the Post Office and Railway Mail Service up to the 31st December, 1934?

(b) Was the abolition or conversion effected in accordance with any fixed tests? If so, what tests?

(c) Will Government be pleased to state how many additional selection grade posts were sanctioned and in what offices according to requirements during the period from the 1st April, 1932 to the 31st December, 1934?

The Honourable Sir Frank Noyce: Information has been called for and a reply will be placed on the table of the House in due course.

APPOINTMENTS RETRENCHED IN CERTAIN CADRES OF THE POSTS AND TELEGRAPHS DEPARTMENT.

810. ***Mr. V. V. Giri:** (a) Will Government be pleased to lay on the table a statement showing, Circle by Circle, the number of appointments retrenched in each of the following cadres since the commencement of the retrenchment operations up to the 31st December, 1934:

- (i) ordinary time-scale clerks and sorters;
- (ii) Lower Division clerks and sorters;
- (iii) Postmen;
- (iv) Village Postmen;
- (v) Overseer Postmen;
- (vi) Runners;
- (vii) Packers;
- (viii) Mailguards; and
- (ix) Van peons?

(b) Has the retrenchment in the cadres of Postal clerks and sorters been regulated according to the standards laid down in the Bewoor Time-tests? If so, will Government please state if additional staff is also sanctioned in the Post Office and Railway Mail Service if justified by those standards? If not, what agreement is made to make up the shortage of staff caused by the one-sided application of the Bewoor Time-test for the purpose of retrenchment only?

The Honourable Sir Frank Noyce: (a) Government regret that they are unable to furnish the information as its collection would involve an undue expenditure of time and labour.

(b) The standards laid down in the Bewoor Time Test were used as guides for determining the reductions justified in the strength of an office or establishment. As regards additions to staff, Heads of Circles were ordered to make a careful review of the work and actual conditions in each case and if they were satisfied that additional staff was necessary for any office or establishment they were authorised to transfer to that office or establishment posts found to be surplus elsewhere.

Mr. Lalchand Navalrai: May I know if the retrenchment in the Postal Department has stopped or it is still going on?

The Honourable Sir Frank Noyce: I think there is a question on that later on the paper.

Prof. N. G. Ranga: Is it not a fact that as many as 1,500 postmasters have been retrenched because of the abolition of the village branch post offices?

The Honourable Sir Frank Noyce: I am sorry I cannot give my Honourable friend definite figures on that point.

Prof. N. G. Ranga: Do Government propose to increase the number of village post offices?

Mr. President (The Honourable Sir Abdur Rahim): That question does not arise.

SELECTION GRADE APPOINTMENTS IN THE POST OFFICES AND THE RAILWAY MAIL SERVICE.

811. ***Mr. V. V. Giri:** (a) Will Government please state the total number of selection grade appointments in the Post Office and Railway Mail Service?

(b) What is the percentage of such appointments as compared with the total number of:

- (i) clerical appointments both in the ordinary and lower division time-scales, and
- (ii) sorters' appointments both in the ordinary and lower division time-scales?

The Honourable Sir Frank Noyce: Information has been called for and will be placed on the table of the House in due course.

REPORT OF THE POSTAL ENQUIRY COMMITTEE.

812. ***Mr. V. V. Giri:** (a) Will Government be pleased to state when the Report of the Postal Enquiry Committee will be published?

(b) Will Government please place on the table a brief summary of the recommendations of the Committee pending publication of the full Report? If not, why not?

(c) In view of the assurance given by the Honourable Member for Industries and Labour in his speech on the floor of this House on the 10th March, 1934, will the report of the Committee, when published, be examined by the Director General of Posts and Telegraphs in close consultation with the All-India (including Burma) Postal and Railway Mail Service Union and other recognised Service Unions, most affected by the recommendations made therein? If not, why not, and what procedure do Government propose to follow?

(d) Do Government propose to give an opportunity to this House to discuss the recommendations made by the Committee before arriving at any final decisions on them? If not, why not?

The Honourable Sir Frank Noyce: (a) It is not the intention of Government that copies of the report should be made available for purchase by members of the public, if this is what the Honourable Member means by the term "published".

(b) The report is now being printed and as soon as printed copies are available, copies will be placed in the Library of the House. In the circumstances Government do not consider it necessary to accept the Honourable Member's suggestion.

(c) Government understand that the Director General of Posts and Telegraphs will supply a copy of the report, when printed, to the All-India (including Burma) Postal and Railway Mail Service Union and other recognised service Unions, the members of which may be affected by the recommendations of the Committee, and will await their views for a reasonable period before submitting to Government his views on those recommendations. The latter part of the question does not arise.

(d) The Committee was a departmental committee and its report is of a highly technical character. For these reasons Government do not consider that any useful purpose would be served by a formal discussion of the report in this House. It will, however, be open to any Honourable Member to call the attention of Government or of this House to any particular recommendation of the report in the usual way.

Mr. V. V. Giri: Will Government be pleased to place it before the Standing Finance Committee before passing final orders?

The Honourable Sir Frank Noyce: No. I hardly think that the Standing Finance Committee would be a suitable body for a discussion of this report. I may point out to my Honourable friend that we now have a Posts and Telegraphs Advisory Committee, and if the Government of India pass orders or propose to pass orders vitally affecting the interests of the staff, that is the Committee which they would naturally consult.

Mr. V. V. Giri: Then, does the Honourable Member propose to place it before the Posts and Telegraphs Advisory Committee?

The Honourable Sir Frank Noyce: As I said, if we find that we propose to pass any orders vitally affecting the interests of the staff, we should certainly place the matter before that Committee. In any case, I think it is but natural that we should discuss with that Committee what we propose to do before any orders are definitely promulgated.

RETRENCHMENT CONCESSIONS IN THE POSTS AND TELEGRAPHS DEPARTMENT

813. *Mr. V. V. Giri: (a) Will Government be pleased to state why the retrenchment concessions were continued in the Posts and Telegraphs Department, while they were withdrawn from other Departments after the 31st March, 1934?

(b) Do Government propose to continue the concessions in the Posts and Telegraphs Department beyond March 31, 1935? If so, what are the reasons? If not, why not?

The Honourable Sir Frank Noyce: (a) Retrenchment concession in the Posts and Telegraphs Department were extended up to the 31st March, 1935, because all retrenchments had not been completed by the 31st March, 1934.

(b) The reply to the first part is in the negative. The second part does not arise. As regards the third part, the reply is that it is expected that general retrenchment will have been completed by the 31st March, 1935. Such decreases in staff as may be justified in future, as the result of re-organisations, changes in methods of procedure, fall in traffic or for any other reasons, will be carried out in the ordinary course as vacancies occur.

DAILY SPREAD-OVER OF WORKING HOURS OF EACH FACTORY.

814. *Mr. V. V. Giri: (a) Will Government be pleased to state whether any record of the daily spread-over of working hours of each factory is required to be submitted to the Factory Inspectors under the present regulations?

(b) Will Government be pleased to state whether they propose to take any action to limit the spread-over of work so as not to result in the abuse of the existing provisions of the Factory Act?

The Honourable Sir Frank Noyce: (a) Yes. The notice of periods for work which must be prepared under sections 39 and 55 of the Factories Act has to be sent to the Inspector and it shows the spread-over for both adults and children.

(b) Government do not propose to reduce the limits of spread-over which came into force as recently as 1st January last.

Mr. V. V. Giri: Have Government received any complaints from the workers or workers' organisations in the provinces that there have been abuses in this matter of spreading-over?

The Honourable Sir Frank Noyce: No. I hardly imagine that the Government of India would receive any complaints on that point. They would more correctly be addressed to the Local Governments who administer the Act.

GRANT OF A PASSPORT TO MR. J. M. ADHIKARI, INTERNED AT BIJAPUR, FOR MEDICAL TREATMENT IN LONDON.

815. *Mr. V. V. Giri: (a) Is it a fact that Mr. J. M. Adhikari, who is now interned at Bijapur, applied to the District Magistrate, Bijapur, for a passport to Europe to obtain proper medical treatment in London?

(b) Will Government be pleased to state whether they propose to afford him necessary facilities for getting proper medical treatment in Europe and not available in India, by granting him a passport to Europe?

The Honourable Sir Henry Crank: (a) and (b). Mr. Adhikari applied for a passport last year to proceed to Europe for medical treatment, but his request was refused by the Local Government; in view of his past communist activities and his previous record it was considered undesirable to permit him to go abroad there being good reasons to believe that the real object of his journey was to attend a meeting of the Communist International at Moscow. The Government of India see no reason to interfere with the Local Government's decision in the matter. I should add that in December, 1934, the Bombay Government granted him permission to proceed to Bandra for medical treatment for a period of one month.

Mr. V. V. Giri: Are Government aware that Mr. Adhikari is suffering from a disease by name Hemophilia, for which there is no remedy in this country, but only in England, and in those circumstances, will they be pleased to consider the advisability of granting his request?

The Honourable Sir Henry Crank: I am not aware of that.

Mr. S. Satyamurti: Will Government make an enquiry, and find out what his health is like?

The Honourable Sir Henry Crank: The matter is entirely within the discretion of the Local Government, and I do not see why the Government of India should make any enquiry.

AMALGAMATION OF CLASSES II AND III OF CLERKS IN THE OFFICE OF THE CHIEF ACCOUNTS OFFICER, NORTH WESTERN RAILWAY.

816. ***Mr. K. M. Joshi:** (a) Is it a fact that classes II and III of clerks employed in the office of the Chief Accounts Officer of the North Western Railway have been amalgamated, thereby raising the maximum of the lowest grade of clerks of that office to Rs. 90 per mensem?

(b) Is it a fact that the maximum of the lowest class of clerks employed under the Agent, North Western Railway, is Rs. 60 per mensem?

(c) Will Government be pleased to state if they have in contemplation a similar amalgamation of the two corresponding classes of clerks of the said parallel organization of the same Railway? If not, will Government be pleased to state the reasons of so vast a difference in the scales of pay of the lowest class of clerks of the two Departments of the same Railway?

Mr. P. E. Raw: I would refer my Honourable friend to the reply given by me in this House on the 22nd February, 1935, to Bhai Parma Nand's unstarred question No. 64.

ABOLITION OF DUPLICATE SETS OF REGISTERS MAINTAINED BY THE DIVISIONAL SUPERINTENDENTS OF THE NORTH WESTERN RAILWAY.

817. ***Mr. S. K. Hosmani** (on behalf of Mr. N. V. Gadgil): Is it a fact:

(i) that the duplicate sets of Registers of Works and Revenue Allocation Registers maintained by the Divisional Super-

intendents of the North Western Railway were abolished some three years ago;

- (ii) that this resulted in the amplification of the corresponding sets of these Registers maintained by the Accounts Department;
- (iii) that the strength of the staff employed on the upkeep of these registers in the Accounts Department was augmented by transferring some of the staff of the Divisional Superintendents rendered surplus due to the abolition of the said duplicate sets; and
- (iv) that the staff so transferred to the Accounts Department is still not entitled to the privileges granted to the Accounts staff; if so, why?

Mr. P. R. Rau: (i) Yes.

(ii) Yes; the Works Registers were amplified to a slight extent.

(iii) Yes.

(iv) The staff so transferred continue to be part of Divisional Superintendents' offices and the Government see no reason to alter the rates of pay and other privileges merely because for administrative convenience they are asked to work under a particular Divisional Officer, viz., the Divisional Accounts Officer instead of the Divisional Engineer.

SUBSIDY OR FINANCIAL HELP GIVEN TO THE ASSOCIATED PRESS NEWS-AGENCY,

818. ***Pandit Nilakantha Das:** (a) Will Government be pleased to state how much subsidy or financial help is given, directly or indirectly, by Government to the Associated Press news-agency, and for what services?

(b) How much subsidy or financial help is given by Government separately, to other news-agencies and newspapers?

(c) Is any financial help given by Government to the *Free Press* and the *United Press*? If not, why not?

(d) What is the criterion of judging the desirability of giving financial help to news-agencies and newspapers?

(e) Is pro official and anti-Congress propaganda a necessary qualification for a paper or a news-agency to receive Government help?

The Honourable Sir Henry Craik: (a) and (b). The Government of India do not subsidise any newspapers or news agencies. They, however, pay the Indian News Agency, on ordinary commercial terms, for the supply of its news telegrams to certain selected officers.

(c) The Government do not subscribe to the news-service of the *Free Press* or the *United Press* as they do not consider it necessary to supplement that of the Indian News Agency.

(d) and (e). Do not arise.

Mr. T. S. Avinashilingam Chettiar: What is the amount that the Government pay the Indian News Agency every year?

The Honourable Sir Henry Craik: The Government of India pay Rs. 12,000 a year plus Rs. 300 a year from the Posts and Telegraphs and Rs. 170 a year from the Army Department. The total is Rs. 12,530.

Pandit Nilakantha Das: What is the subscriptions of Rs. 71,000 for News Agencies under the "Miscellaneous" Demand for Grant?

The Honourable Sir Henry Craik: I have said that total amount paid to the Indian News Agency is Rs. 12,530.

Mr. M. S. Aney: The Honourable Member is referring to an item of Rs. 71,000 under the "Miscellaneous" Demand.

The Honourable Sir Henry Craik: That has got nothing to do with the Indian News Agency. It possibly includes Reuters. That is an entirely different service.

Pandit Nilakantha Das: Is not the A. P. I. a branch of the Reuters in India?

The Honourable Sir Henry Craik: I understand Reuters is an entirely different organization.

Pandit Nilakantha Das: Is it a monopoly price that is paid to the Indian and other News Agencies, or is it done by tender?

The Honourable Sir Henry Craik: I must have notice of that.

FILLING UP OF VACANCIES IN THE POSTS OF READERS IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

819. ***Mr. N. M. Joshi:** (a) Is it a fact that all the newly created posts of Readers in the Government of India Press, New Delhi, are being filled only by promoting copy-holders?

(b) Are Government aware that under Hand Book Rule 184 it is laid down as follows:

"To read proofs efficiently the Reader must possess a good general education and a practical knowledge of the art of typography, Readers have peculiar duties and they require special qualifications for the efficient performance of those duties. It is therefore a mistake and one of not infrequent occurrences in India for any tolerably well educated man to imagine that with a little practice he would become a Reader notwithstanding that technical knowledge is lacking."

(c) Is it a fact that the Manager, Government of India Press, New Delhi, does not follow the Hand Book Rule and has appointed non-technical men as Readers? If so, why?

(d) Is it a fact that technical men with long service and drawing maximum of the scale for years, possessing both educational and technical knowledge of the work of typography, are not being appointed as Readers? If so, what action do Government propose to take so that the technical men shall secure some of the appointments as Readers?

(e) Is it a fact that the Controller, Printing and Stationery, has passed an order that non-technical copy-holders shall always be given preference as Readers, no matter whether they may be junior in length of service and pay, etc., compared with senior technical men of other Branches?

(f) Is it a fact that under Rule 27 of the Hand Book of the Government of India Presses, even outsiders are eligible for appointments as

Readers after a proficiency test? If so, why are men, already in the service of the Press and working in the technical Branches, not appointed as Readers?

(g) Is it a fact that the Manager of the Government of India Press, New Delhi, had just recruited an outsider as a Reader in the top-most grade without any proficiency test, in spite of the joint petition of Senior Readers protesting against that recruitment? If so, why are the men already in service in the Press not appointed as Readers?

The Honourable Sir Frank Noyce: (a) No.

(b) Yes.

(c) No.

(d) I am not clear to which men the Honourable Member is referring, but I am asking the Controller to consider the question of framing some definite rule for appointments to the Reading Branch.

(e) To safeguard the interests of the men of the Reading Branch, the Controller of Printing and Stationery directed that the men of the other Branches, who qualify in the examination for readers, should not be given preference on account of their length of service, pay, etc., over the men of the Reading Branch who also qualify.

(f) The reply to the first part is in the affirmative. As regards the second part, men working in the other Branches of the Press who have qualified are eligible when qualified candidates are not available in the Reading Branch.

(g) The man appointed is a graduate who had completed five years' training as an apprentice in the Calcutta Press and is better qualified for the post than others in the Reading Branch.

EARNINGS OF THE NORTH WESTERN RAILWAY FROM PASSENGER TRAFFIC.

820. ***Dhal Parma Hand:** Will Government be pleased to state the earnings of the North Western Railway from passenger traffic during 1934 as compared with 1933, together with the number of passengers carried? Will Government please give this information:

- (i) for passengers up to 50 miles;
- (ii) for passengers from 50 to 300 miles; and
- (iii) for passengers travelling over 300 miles?

Mr. P. R. Rau: I lay on the table the information asked for by the Honourable Member.

Statements showing the number of and earnings from passengers carried on the North Western Railway, excluding military passengers and passengers holding season tickets.

Miles.	1932-33.		1933-34.	
	Number of passengers.	Earnings.	Number of passengers.	Earnings.
		Rs.		Rs.
0-50	64,137,361	1,46,33,467	45,921,139	1,48,13,045
51-300	12,008,556	3,39,72,208	12,082,482	2,34,86,776
Over 300	992,203	74,44,333	899,640	69,46,436

Mr. Lalchand Wavhai: Does this contain the passengers, first class, second class and third class, or only third class?

Mr. P. E. Rao: All passengers.

QUALIFYING EXAMINATION FOR READERS' POSTS IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

821. *Bhai Parma Nand: (a) Will Government be pleased to state if it is a fact that a qualifying examination for Readers' posts was held on the 10th and 12th November, 1934, in the Government of India Press, New Delhi, and out of 36 candidates, 14 were declared as successful and qualified?

(b) Are Government aware that the examination was held for testing the qualifications of all the candidates for the posts of Readers? If so, why was the same set of examination papers not given to all the candidates?

(c) Is it a fact that one group of candidates, for special reasons, was examined separately and if so, why?

(d) Is it a fact that the candidates other than the group referred to in part (c) above, were examined after two days? If so, why?

(e) Do Government propose to make enquiries into the matter and declare the examination of both the groups null and void, because all the candidates were not examined at the same time?

(f) Is it also a fact that the successful candidates from the first group have already been appointed as Readers and Revisers, and successful candidates of the second group have been deprived of promotions? If so, what was the intention of the Manager in making two groups?

(g) Is it a fact that on the publication of a letter in the *Hindustan Times* in November, 1934, from the Secretary of the Clerks Union, the Controller, Printing and Stationery, has declared the examination of the second group null and void?

(h) Is it also a fact that the said letter was found to be a forgery and contradicted by the Secretary of the Clerks' Union in the same paper? If so, why did the Controller, Printing and Stationery, take action on false reports?

The Honourable Sir Frank Noyce: (a) Yes.

(b) The answer to the first part is in the affirmative. As regards the second part, the proof reading paper was the same. The others were different. It is obviously undesirable that candidates examined on different dates should have the same paper.

(c) and (d). The two groups were examined on different days, because the Manager considered that there was insufficient accommodation to permit of their being examined simultaneously.

(e) The Controller is enquiring into the matter with a view to considering whether any further action is necessary.

(f) Certain candidates from the first group have received promotion: no candidate from the second group has been appointed. I have already given the answer to the second part.

(g) The letter received the attention of the Controller, but, as I have said, the question of the action, if any, which may be necessary is under his consideration.

(h) The authenticity of the letter was denied, but some of the facts in it were correct.

Bhai Parma Nand: May I know whether the examination paper that was set for the second group was almost the same as that which was set for the first group?

The Honourable Sir Frank Noyce: I have no information on that point, but, as I have already informed my Honourable friend, the Controller is inquiring into the whole matter.

DUTIES OF NUMBER-TAKERS ON THE NORTH WESTERN RAILWAY.

822. ***Bhai Parma Nand:** (a) Will Government be pleased to state the duties of Number-takers employed on the North Western Railway?

(b) Are their duties similar to those performed by Assistant Train Examiners on the East Indian Railway?

(c) Is it a fact that most of the Number-takers on the North Western Railway are literate, and some of them are Matriculates?

(d) Is it a fact that on the East Indian Railway promotion to the grade of Train Examiners is made from Assistant Train Examiners, but on the North Western Railway the Number-takers are not considered eligible for promotion as Train Examiners? If so, what is the reason for this differentiation?

Mr. P. R. Rau: With your permission, Sir, I propose to reply to questions Nos. 822, 823, 824 and 825 together. I have called for certain information and will lay a reply on the table of the House in due course.

TRAIN EXAMINERS ON THE NORTH WESTERN RAILWAY.

1823. ***Bhai Parma Nand:** (a) Are the existing Train Examiners on the North Western Railway performing their duties to the satisfaction of the Railway Administration?

(b) Is it a fact that most of the existing Train Examiners were promoted from Number-takers?

(c) Is it also a fact that most of the existing Train Examiners are either semi-literate or non-matriculates?

(d) If the answer to the preceding three parts be in the affirmative, will Government please state why the existing Number-takers, who are Matriculates are not given promotion to the grade of Train Examiners?

NUMBER-TAKERS ON THE NORTH WESTERN RAILWAY.

1824. ***Bhai Parma Nand:** (a) Is it a fact that the Number-takers on the North Western Railway are required to supervise the work of the mechanical illiterate staff?

†For answer to this question, see answer to question No. 822.

(b) Are they held responsible if there is any failure on the part of the illiterate mechanical staff, and are they awarded punishment for such failures?

(c) Are Number-takers required to attend to mechanical duties such as:

- (i) repacking and oiling; and
- (ii) repairs to damaged stock at sick lines?

(d) Are Number-takers sent on the line to attend to hot axles, taking and making over of military cars and damages and to Canal trains? Is it a fact that these are the duties of Train Examiners?

(e) Are Government aware that Number-takers on the North Western Railway are required by the Head Train Examiners to perform the duties of Train Examiners when the latter are absent from the stations for duties on the line, or when they proceed on leave for short periods?

(f) Are these duties entrusted to Number-takers with the knowledge of their gazetted officers? If not, do Government propose to ask the gazetted officers concerned to investigate the truth of the matter by references in daily diaries and order books maintained at Train Examining Stations?

(g) Do the number-takers perform the duties of Train Examiners satisfactorily when they are called upon to do so as stated in part (e) above?

(h) Do Government propose to consider the desirability of making promotions to the rank of Train Examiners from the Number-takers?

ELECTRICIANS ON THE NORTH WESTERN RAILWAY.

†825. ***Bhai Parma Nand**: Is it a fact that on the North Western Railway 50 per cent. of the electricians are promoted from the staff who can pass a writing test? If so, do Government propose to give similar consideration to Number-takers, who are matriculates, for promotion as Train Examiners?

PROTECTIVE DUTY AND EXCISE DUTY ON SUGAR.

826. ***Dr. P. N. Banerjee**: Will Government be pleased to state:

- (a) the amount collected on account of the protective duty on sugar during the first ten months of the financial year 1934-35;
- (b) the amount estimated to be obtained on account of the protective duty on sugar during the whole financial year 1934-35;
- (c) the amount collected on account of the excise duty on sugar during the first ten months of the financial year 1934-35; and
- (d) the amount estimated to be obtained on account of the excise duty on sugar during the whole financial year 1934-35?

†For answer to this question, see answer to question No. 822.

Mr. A. H. Lloyd: (a) Rs. 3,37,71,000.

(b) and (d). I would invite the Honourable Member's attention to pages 14 and 15 of the Explanatory Memorandum by the Financial Secretary on the budget which gives the necessary information.

(c) Rs. 55,04,000.

IMPORT DUTY ON COTTON FABRICS.

827. *Dr. P. N. Banerjee: Will Government be pleased to state:

(a) the amount collected on account of the import duty on cotton fabrics of British manufacture for the first ten months of the financial year 1934-35;

(b) the amount estimated to be obtained on account of the import duty on cotton fabrics of British manufacture for the whole financial year 1934-35;

(c) the amount of import duty collected on non-British cotton fabrics during the first ten months of the financial year 1934-35; and

(d) the amount estimated to be collected on account of the import duty on non-British cotton fabrics for the whole financial year 1934-35?

Mr. A. H. Lloyd: (a) Rs. 2,33,27,000.

(b) and (d). I would invite the Honourable Member's attention to pages 14 and 15 of the Explanatory Memorandum by the Financial Secretary on the budget which gives the necessary information.

(c) Rs. 2,11,40,000.

RE-EMPLOYMENT OF THE GREAT INDIAN PENINSULA RAILWAY STRIKERS.

828. *Mr. N. V. Gadgil: (a) Are Government aware that at a meeting between the Great Indian Peninsula Railway Administration and the representatives of the Great Indian Peninsula Railway Workers' Union held on the 8th and 9th March, 1932, the Great Indian Peninsula Railway Agent promised that "if the Union submitted representations in regard to individual Satyagrahis, he would give them his personal consideration"?

(b) Are Government aware that the Union submitted an exhaustive list giving names and addresses of more than 60 employees who were convicted for offering Satyagraha during the strike of 1930?

(c) Is it a fact that the Great Indian Peninsula Railway Agent instituted inquiries into individual cases with a view to taking them back in the employment, but did not proceed further in the matter?

(d) If the reply to part (c) be in the negative, why did the Agent not proceed further with the matter?

(e) Do Government approve of the action of the Agent in refusing to re-engage Satyagrahi strikers?

(f) If the reply to part (e) be in the affirmative, is it a fact that the Agent has employed persons in the Railway who have been convicted of serious offences, such as murder, theft, safe breaking, etc., and are Government aware that the names are published by the Great Indian Peninsula Railway Workers' Union in its official organ? If so, why have such persons been employed?

(g) If the reply to part (e) be in the negative, do the Government propose to instruct the Agent to take all the Satyagrahis back into employment?

Mr. P. E. Rau: (a) and (b). Yes.

(c) and (d). Government are informed that the Agent, Great Indian Peninsula Railway, completed his enquiries. Nearly half of the men whose names were forwarded were admitted for re-employment.

(e), (f) and (g). Government are making enquiries and will lay a reply on the table in due course.

ALLEGATIONS AGAINST THE MILITARY IN MIDNAPORE.

829. ***Mr. Amarendra Nath Chatteropadhyaya:** (a) Will Government be pleased to state whether one Murary Mohon Sasmal of village Jukhia in Contai made a complaint to the Chief Secretary to the Government of Bengal against some soldiers who had committed rape on his sister-in-law during a military route-march in 1934? If so, will Government be pleased to state whether any enquiry was made by the local authorities executive or judicial, and if so, what is the result?

(b) Will Government be pleased to state whether it is a fact that Murary Mohon Sasmal was charged under section 182, Indian Penal Code first?

(c) Was that charge withdrawn and a fresh charge under section 193, Indian Penal Code, was made? If so, why?

(d) Was Murary Babu subsequently discharged? If so, was he compensated for his pecuniary loss?

(e) Will Government be pleased to state whether any order for withdrawal of soldiers, stoppage of route-marches and holding of *darbars* are under contemplation?

(f) Did the Divisional Commissioner at a public meeting charge Murary Babu with bringing a false case against the military when the case was *sub judice*? If so what steps had been taken against the Commissioner?

The Honourable Sir Henry Craik: (a) and (b). I would refer the Honourable Member to items (4) and (8) of the statement laid on the table on the 18th July, 1934, in connection with the allegations against the conduct of troops in Midnapore.

(c) No. I should add that the question, of the holding of Darbars is a matter for the Local Government.

(c), (d) and (f). I am making enquiries as to the facts from the Local Government and will lay a statement on the table in due course.

INCOME FROM LETTERS WEIGHING MORE THAN HALF A TOLA INSUFFICIENTLY STAMPED.

880. *Mr. Amarendra Nath Chattopadhyaya: (a) Will Government be pleased to state the income from the letters charged by the Post Office on account of their being posted with one anna stamp, being taken as weighing half tola, while they were more than half tola?

(b) Do Government propose to save the villagers from the confusion that leads to the aforesaid under-payment of postage by revising the rates so that letters up to one tola might be posted with one anna stamp?

(c) Are Government aware that generally people cannot make the fine distinction between half and one tola?

The Honourable Sir Frank Hayes: (a) No separate account of letters exceeding half tola in weight, which are posted with one anna stamp on them and are consequently taxed, is kept in post offices. The income derived from the taxing of such letters cannot, therefore, be stated.

(b) and (c). The Honourable Member's attention is invited to the reply given by me on the 18th February, 1935, to parts (a) and (b) of starred question No. 809 asked by Sir Muhammad Yakub.

PAY OF THE TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN RAILWAY.

881. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member in charge of Railways be pleased to state if the scale of pay of the Travelling Ticket Examiners of the Moody-Ward system on the East Indian Railway is very low, as compared with the scale of pay of Travelling Ticket Examiners of other Company and State-managed Railways in India?

Mr. P. B. Ban: With your permission, Sir, I propose to reply questions Nos. 831, 832, 833 and 834 together. Government do not consider that the pay of Travelling Ticket Examiners under the Moody-Ward scheme is inadequate nor do they see any necessity for absolute uniformity of pay on all railways in India. The rates of pay prescribed for Ticket Checking Staff on the Eastern Bengal, East Indian, and North Western Railways are contained in the statement I lay on the table.

Statement.

Eastern Bengal.	East India.	North Western.
<p>Old Scales. New Scales.</p> <p>Ticket Collector (Belg.) 32-4-00 } 30-3-45-5-00</p> <p>" " 32-4-00 }</p> <p>" " 65-6-00 } 65-5/2-85</p> <p>" " 95-8-10 } 105-5-140</p> <p>Tr. Ticket Examiners, Jr. 30-4-10 20-6-45-5-00</p> <p>Tr. Ticket Examiners, Sr. 70-5-120 65-5-2-85</p> <p>Coverman 80-4-00 30-3-45-5-00</p> <p>Cover in Charge 70-5-120 65-5/2-85</p> <p>Head Ticket Collector 130-10-100 100-10-3-120</p> <p>Inspector (Crew) 150-10-100 } 140</p> <p>Inspector (Brews) 210-10-220 } 180</p>	<p>Old Scales. New Scales.</p> <p>Ticket Collectors, Gr. III 37-3-52 Ticket Inspector (Belg.), Gr. II. 20-3-45</p> <p>" " Gr. II 56-3-04 Ticket Inspector, Gr. II 20-3-45</p> <p>" " Gr. I 70-5-06 Ticket Inspectors, Gr. I 30-3-45-5-00</p> <p>Tr. Ticket Examiners, 55-3-44 Tr. Ticket Examiners, 30-3-45-5-00 Gr. II</p> <p>" " Gr. I 70-5-06 Tr. Ticket Examiners, 65-5/2-85 Gr. I</p> <p>Asstt. Head Ticket Collectors 110-5-14</p> <p>Head Ticket Collectors, 140-10-100 Head Ticket Inspectors, 65-5/2-85 Gr. II</p> <p>Head Ticket Collectors, 200-80-620 Head Ticket Inspectors 100-10/3-120 Gr. I</p> <p>Inspectors, Gr. II 150-90-120 Ticket Inspectors, Gr. III 140</p> <p>" Gr. I 200-80-320 " " Gr. II 100</p> <p>Chief Inspector 240-80-640 " " Gr. I 180</p>	<p>Old Scales. New Scales.</p> <p>Ticket Collectors 32-3-60 30-3-50-5/2-80</p> <p>66-4-90 65-5/2-85</p> <p>105-5-140 100-10/3-120</p> <p>150-10-100 140</p> <p>200-10-220 180</p> <p>180</p>

QUESTIONS AND ANSWERS

PAY OF THE TRAVELLING TICKET EXAMINERS ON THE NORTH WESTERN RAILWAY.

†832. ***Mr. Amarendra Nath Chattopadhyaya:** Will the Honourable Member in charge of Railways be pleased to lay on the table a statement showing the grades of pay of the Travelling Ticket Examiners of both A and B grades of the North Western Railway?

SCALES OF PAY OF THE TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN AND NORTH WESTERN RAILWAYS.

†833. ***Mr. Amarendra Nath Chattopadhyaya:** Will the Honourable Member in charge of Railways be pleased to state whether the scales of pay of the Travelling Ticket Examiners of the North Western Railway, both of A and B grades, are higher than the scales of pay of A and B grades of Travelling Ticket Examiners on the East Indian Railway?

PAY OF TICKET EXAMINERS ON THE EASTERN BENGAL AND EAST INDIAN RAILWAYS.

†834. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Will Government be pleased to state whether it is a fact that the pay of Ticket Examiners of A and B grades on the Eastern Bengal Railway is Rs. 120 per month and that of Travelling Ticket Examiners of the East Indian Railway under the Moody-Ward system Rs. 70 to 95 and Rs. 55 to Rs. 65 of A and B grades, respectively?

(b) If so, will Government be pleased to state the reasons for this unusual difference in their scales of pay?

PAY OF TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN RAILWAY.

835. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Will the Honourable Member in charge of Railways be pleased to state if most of the members of the staff of Travelling Ticket Examiners on the East Indian Railway generally reach the maximum of their pay in A and B grades of the Moody-Ward system in the course of three, four or five years and are obliged to serve during the rest of their service on that pay?

(b) Are Government prepared to see that the Travelling Ticket Examiners of the East Indian Railway of A and B grades under the Moody-Ward system should be placed on the same scales of pay with other State and Company-managed Railways?

Mr. P. E. Rau: (a) The scales of pay are:

Grade II—Rs. 55—8—64.

Grade I—Rs. 70—5—95.

There is nothing to stop the staff concerned from qualifying themselves for promotion to higher posts.

(b) Government do not consider that uniformity of scales of pay on State and Company-managed Railways is practicable or necessary.

REFUSAL OF MILEAGE ALLOWANCE TO THE TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN RAILWAY.

836. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member in charge of Railways be pleased to state why the Travelling Ticket Examiners of East Indian Railway under Moody-Ward system are deprived of the mileage allowance?

Mr. P. B. Rau: As I have explained often in this House Travelling Ticket Examiners are not allowed mileage allowance which is restricted to staff directly connected with the charge of moving trains

CONSOLIDATED ALLOWANCE OF THE TRAVELLING TICKET EXAMINERS ON THE EAST INDIAN RAILWAY.

837. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member in charge of Railways be pleased to state if the present consolidated allowance of the Travelling Ticket Examiners of the East Indian Railway under Moody-Ward system is Rs. 20 and 15 per month?

Mr. P. B. Rau: The reply is in the affirmative.

MONTHLY ALLOWANCES PAID TO THE TRAVELLING TICKET INSPECTORS ON THE EAST INDIAN RAILWAY.

838. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member in charge of Railways be pleased to state if a pointsman, clock-winder, relieving Ticket Collector, or relieving Assistant Station Master drawing a monthly salary of Rs. 20, 24, 30, or 50 per month, respectively, is paid monthly allowance at a rate higher than what is paid to the Travelling Inspectors of A and B grades under Moody-Ward system on the East Indian Railway? If so, will the Honourable Member be pleased to state the reason for this difference?

Mr. P. B. Rau: Government do not consider that any useful purpose will be served by comparing the allowance of different classes of staff.

SHORT NOTICE QUESTION AND ANSWER.

RELEASE OF PANDIT JAWAHARLAL NEHRU.

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Mr. President (The Honourable Sir Abdur Rahim): Order, order.

There are short notice questions by Pandit Nilakantha Das, by 12 Noon. Mr. Avinashilingam Chettiar, and by Professor Ranga, all relating to the same subject. Pandit Nilakantha Das.

Pandit Jhankar Das: (a) Will Government please state, or ascertain and state, whether it is a fact that Pandit Jawaharlal Nehru has been given the option by Government of leaving India with his wife as an alternative to his present jail life?

(b) If so, for how long is he required to remain out of India?

(c) Who is to pay for his passage out of and to India and his expenses abroad?

(d) Ordinarily, how long has Pandit Jawaharlal Nehru got to stay in jail to serve out his present sentence of imprisonment?

(e) Was the Pandit informed of the Government's present intentions? If so, with what result?

(f) Is it the idea to extern the Pandit under some law or regulations?

The Honourable Sir Henry Craik: (a) No proposal for the release of Pandit Jawaharlal Nehru or of giving him the option suggested is under the consideration of the Government of India or the Government of the United Provinces.

(b), (c), (e) and (f). Do not arise.

(d) The Pandit was sentenced to two years' simple imprisonment in February, 1934.

Pandit Govind Ballabh Pant: May I ask if Pandit Jawaharlal Nehru's wife is suffering from tuberculosis?

The Honourable Sir Henry Craik: I understand that she is slowly improving in health at the sanitarium at Bhowali in the United Provinces.

Seth Govind Das: Have Government seen the recent telegram which has appeared in this morning's paper saying that she is not improving?

The Honourable Sir Henry Craik: The last report I have received is a report dated December the 8th, 1934.

Seth Govind Das: Has not the Honourable Member seen the statement which has appeared in this morning's paper? I think the Honourable the Home Member must have read it,—the statement about Mrs. Jawaharlal's health?

The Honourable Sir Henry Craik: No, I have not seen that.

Pandit Govind Ballabh Pant: Have not Government seen the communiqué issued by the Superintendent of the Bhowali Sanitarium only recently?

The Honourable Sir Henry Craik: I may say, Sir, that the last information I have is that of December the 8th.

Gurcharan Dwar Bhatia: Will the Honourable the Home Member kindly inquire and find out the state of health of Mrs. Nehru, and if he thinks

that her condition is not satisfactory, will Government consider the advisability of allowing Pandit Jawaharlal Nehru to go abroad for the treatment of his wife?

The Honourable Sir Henry Craik: That is a hypothetical question.

Mr. President (The Honourable Sir Abdur Rahim): The Chair has received notice of a motion for adjournment, but it is understood from the Honourable Member who gave notice that he does not desire to move that motion.

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume discussion of the Demands for Grants. The Chair understands that Demand No. 28 has already been moved. There is a cut motion in the name of Mr. Joshi—No. 295.

DEMAND No. 28—EXECUTIVE COUNCIL—*contd.*

Grievances of Working Classes.

Mr. N. M. Joshi (Nominated Non-Official). *Sir, I move:*

"That the demand under the head 'Executive Council' be reduced by Rs. 100."

Mr. President, my object in making this motion is to lodge a protest against the failure of the Government of India

Dr. Ziauddin Ahmad (United Provinces Southern Division: Muhammadan Rural): On a point of order, Sir. May I ask whether one and the same man may move more than one cut?

Mr. President (The Honourable Sir Abdur Rahim): What is the point of order?

Dr. Ziauddin Ahmad: My point of order is that we had certain arrangements about cuts, and I understood that one Honourable Member cannot move more than one cut. Is that permissible?

Mr. President (The Honourable Sir Abdur Rahim): The Chair is not aware of any such arrangement. The arrangement was about the time to be allotted for motions of particular Groups and of unattached Members. So far as the Chair is aware, it does not think it was arranged that one Honourable Member cannot move more than one motion. **Mr. Joshi.**

Mr. N. M. Joshi: Mr. President, I fully realize that some Members should feel aggrieved at my good luck. (Laughter.) At the same time,

[Mr. N. M. Joshi.]

let me make it quite clear that I was quite prepared to come to an agreement in a reasonable manner both with the organised Parties in this House and with the unattached group. Mr. President, I am not a speculator, and I would have preferred the certainty of a two hours' discussion to my good luck, but, Sir, the organised Parties would not give me any reasonable time nor would the unattached Members.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Sir, I must protest against this, and I think my friend, Mr. Bhulabhai, will bear me out. The organised Parties did nothing of the sort. They gave Mr. Joshi every latitude and every assistance. I think Mr. Bhulabhai will bear me out.

Mr. President (The Honourable Sir Abdur Rahim): The Chair cannot allow this sort of discussion to go on. Mr. Joshi will move his motion and say what he has got to say about it.

Mr. N. M. Joshi: Mr. President, if some people will not listen to what I have to say on that subject, I am not very anxious to waste my time on it. My object, Sir, in making this motion is to protest against the failure of the Government for not removing some of the grievances from which the working classes of this country have been suffering. Sir, these grievances are many, and I shall not be able to deal with all of them. I propose, therefore, to restrict myself to two or three of those grievances, and I am sure that the Honourable Members that follow me will deal with some of the others.

I would like first to deal with the failure of the Government to pay sufficient attention to the maintenance of good health of the industrial worker in this country. Good health is, Sir, necessary not only for the happiness of human beings, but I feel that it is a matter of great economic advantage to a country that its working classes should enjoy good health. The question of the health conditions of the working classes was examined very closely by the Royal Commission on Indian Labour, and that Commission found that there was a great need for improving the conditions in order that the working classes of this country should enjoy better health. Mr. President, there are a number of people who generally accuse the working classes of this country of being not as efficient as the working classes of other countries. I do not myself believe that the working classes of this country are congenitally less productive than the working classes of other countries. (Laughter.) I feel their productive capacity is as good as the productive capacity of the working classes of other countries. But, Sir, I am prepared to admit that the work, which they do in factories today, on account of difference in conditions, may not be as good as the work done by others. But this difference in the work done by the working classes in other countries and the working classes in this country is entirely due to the differences in conditions.

The working classes in Great Britain, for instance, live in very good houses and their wages are high and during periods of sickness they are very well cared for. In India the working classes receive low wages

and their hours of work are long. Their housing is extremely bad. But I do not propose to deal with these aspects today at all. I propose to deal with the aspect of the health conditions of the working classes. The Royal Commission found there was a great deal that could be done in order to improve the health conditions of the working classes and they have made certain suggestions. They made a suggestion that in order that the food eaten by the working classes should be improved, they should establish a nutrition institute in this country to make certain kind of researches and also propaganda. But, the important recommendation made by the Commission was as regards the consideration of a scheme for the provision of not only medical assistance to the working classes, but for the provision of some maintenance to the working classes during days of sickness. They first recommended to the Government of India that the Government of India should collect statistics from the employers and from their own factories and also independently to find out the incidence of sickness among the working classes with which the Royal Commission was dealing and, in order that a proper scheme for the collation of statistics should be made, the Royal Commission recommended that the Government of India should consult in some manner a Committee of this Legislature consisting of representatives of labour and representatives of employers and some others. The Commission also recommended that after the statistics were collected the statistics should be examined by an Actuary and others and finally the Commission recommended that a formal committee should be appointed in order to examine all this material, and, if possible, to recommend a scheme for the provision of medical relief as well as maintenance during sickness of the working classes. I have not yet heard from the Government of India either in this Legislature or through the reports which they have published regarding the action taken on the recommendations of the Royal Commission as to what has been done. As to the main recommendations they say it is under consideration. I do not know yet whether the Government of India have appointed a committee of the Legislature as recommended by the Royal Commission for consultation, a committee on which the representatives of labour as well as the representatives of employers were to be appointed. It is more than four years since the Royal Commission made its recommendation and if the Government of India were to appoint a Committee for consultation in this matter it was time that they should have done so. I am sorry that on this point the Government of India have given no information. The question is one of great importance to the working classes of this country and I would like the Government of India to take action without any loss of time.

Then, there is another grievance which I want to place before this House, namely, that the Government of India have not yet implemented the recommendation of the Royal Commission for the establishment of an Industrial Council in this country. When the Royal Commission made investigations as to the method by which the Government of India generally formulates its views on labour questions, and the procedure which the Government of India has to go through in order to pass legislation on labour subjects, the Commission came to the conclusion that on the whole the procedure is a very dilatory one. They, therefore, recommended that another method should be found out by which the procedure

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could be simplified, and, if possible, the delay avoided. I do not wish to take up the time of the House by describing how the Government of India proceeds in the matter, how they first formulate their own views, and if they have no views how they appoint a committee and sit tight over the committee and when they are pressed to take action how they issue letters to all Provincial Governments and how the Provincial Governments circulate the letters to the different bodies—all that, Sir, takes time. Therefore the Royal Commission thought that some method must be devised by which the delays could be avoided. The Royal Commission also found that in India both the Provincial and the Central Legislatures have power to pass legislation on labour questions. It is true that the Provincial Legislatures have not made sufficient use of the powers which they possess to pass legislation on labour matters. Still, the Commission thought it is necessary that there should be some body to co-ordinate the efforts of the Provincial as well as the Central Legislatures in order that legislation that shall be passed in the different provinces and in the whole country shall be more or less harmonious and will not conflict with each other. They also thought that if a machinery is established to consider the legislative proposals of the Government of India that machinery will also be useful to co-ordinate the efforts of the Provincial and Central Governments and of the Provincial and Central Legislatures. Then, the other day, when my Honourable friend, Mr. Mody, spoke on the question of labour legislation, in the States, and he pointed out the difficulty caused by want of proper legislation in the Indian States. The Royal Commission considered that difficulty also and considered all these points and they came to the conclusion that it will be a great advantage if the Government of India by statute establishes an Industrial Council. As I pointed out that Industrial Council could be useful for various purposes. They suggested that Industrial Council could be useful for various purposes. They suggested that whenever the Government of India had any legislative proposals on which they want public opinion to be consulted that legislation will be considered by an Industrial Council consisting of representatives of the Government, the representatives of the employers and the representatives of the employees so that the delay could be avoided. They also thought that if an Industrial Council of the nature which I described just now is established, that Council will be able to co-ordinate the various efforts made by the Provincial and Central Governments and the Provincial and Central Legislatures. They also thought that although the Indian States may not agree to make labour legislation a federal subject still the Indian States may not object to take part in the deliberations of a body like the Industrial Council. For all these reasons the Royal Commission recommended that an Industrial Council of this nature should be established. I find that the Government of India have not yet given serious consideration to this matter.

The other day this question was discussed in the Council of State, and I find from the newspapers that the reply given by the Government of India was not very satisfactory. It seems the Government of India consider that an Industrial Council as recommended by the Royal Commission

on Labour can only be established when the new constitution comes into existence. I feel that although the Industrial Council would be useful not only under the present constitution but even under the future constitution still the Royal Commission did not recommend that the Industrial Council should be established if only a new constitution is introduced in India. They thought that an industrial council will be useful under this constitution also. If the Indian States do not choose to join such a council, British India need not wait for that reason.

I, therefore, hope, that the Government of India will give serious consideration to this problem, and I recommend this proposal to the Government of India not only for the sake of avoiding delay in passing labour legislation but also on another ground which the Royal Commission had in mind in recommending this industrial council, namely, that under the present circumstances the working classes, employers and Government do not generally meet together except perhaps in this Legislature through their representatives. And, on account of that reason, a good opportunity for bringing about a proper understanding between the various interests is lost. They recommended the establishment of an Industrial Council in order that it may be a means for the establishment of industrial peace in this country, so that Governments, the representatives of the workers and the representatives of the employers should meet together and discuss matters and there may be harmony and peace in the industry. I hope, Sir, the Government of India will take early action on this subject.

Then, Sir, before I sit down, I would like just to mention a word or two about a point on which some of us wanted to raise a discussion only yesterday, that is, the attitude of the Government of India towards certain unions in this country. Sir, recently the Government of India have started a policy of putting down what they call communist organisations and the communist movement. Sir, I am not a communist; I believe that it is necessary to substitute a better basis for our industry and for our society than the present capitalistic basis.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has only two minutes more.

Mr. N. M. Joshi: I assure you I shall not deal with this matter in detail at all. I believe it is necessary to base our society and the industries and the whole economic structure on a socialistic basis, but I do not agree with the communists on two points. I am a democrat; I do not believe in dictatorship either of the proletariat or of other classes of people. Secondly, I do not believe in violence. It is true that the communists do believe in the dictatorship of the proletariat; they also believe in mass violence. But, Sir, if the Government of India want to deal with any acts of violence I feel they can sufficiently deal with them by the ordinary method by bringing the perpetrators of the acts of violence before the Courts. I feel, Sir, that it is wrong to try to penalise mere propaganda because if the Government of India have a right to make their own propaganda the communists have a right to make their propaganda.

The Honourable Sir Henry Crick (Home Member): In favour of violence?

Mr. N. M. Joshi: If the Government of India want to create a feeling against violence the first thing which they will have to do is to abjure violence themselves. If the Government of India retain the right to use methods of violence to suppress organisations, on the whole the Government of India will not create public opinion in favour of constitutional methods and against methods of violence. I, therefore, feel that if the Government of India want to meet the propaganda of the communists they should meet it first by doing things by which the ground under the propaganda of the communists will be cut away. The communist succeeds because the people of this country are in poverty. They are groaning under various grievances. If Government take measures to remove the grievances of the people the ground under the propaganda of the communists will be cut away to a great extent. Secondly, Sir, I believe that propaganda should be met by propaganda and not by methods of violence. I hope, Sir, the Government of India will give up this policy because I can tell the Government of India, from my experience, that whenever they have made an effort to put down communism in this country by either putting the communists in jail or by suppressing their organisations, the communist ideas have not been suppressed.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up now.

Mr. N. M. Joshi: I shall not take more than one minute now, Sir. If communism is strong in this country anywhere, it is in Bombay, and I know that it is because Government make martyrs of these communists that they get recruits among the educated classes in this country. They get recruits not from among the working classes in this country, but among the educated classes, and that is because Government pursue the methods of suppressing communist activities. Moreover, it is not yet proved that all the unions which Government suppressed are communist unions. When Government start putting down organisations, both communists and non-communists are put down. I hope, Sir, the Government of India will give up this policy, and if they want the working classes in this country to follow constitutional and parliamentary methods, they should do everything in their power to promote constitutional methods and parliamentary methods. Sir, I hope the House will approve of my motion.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand under the head 'Executive Council' be reduced by Rs. 100."

Mr. V. V. Giri (Ganjam cum Vizagapatam: Non-Muhammadan Rural): Sir, in this year of grace 1935, the Government of India, through the Honourable Member in charge of Finance, have budgeted a sum of 1,00 lakhs for rural uplift, and, directly or indirectly, to tackle the problem of unemployment in this country which represents 40 millions absolutely starving people and 60 millions under-employed. Sir, we expected that the Honourable the Finance Member would place before the House a cut and dry plan of economy to tackle these problems. If the intention of the Government of India was to thwart the efforts of Mahatma Gandhi who has established or will establish the Village Industries Association for a like purpose, or if they desire to place a non-official C. I. D. in all the

villages where this work is done, then this grant of 1,00 lakhs is a curse instead of a blessing. If the intentions of Government were *bona fide*, we all expected that the Honourable the Finance Member would place before this House his suggestions for a planned economy. Therefore, it is our duty on this side of the House to put forward some concrete proposals for discussion in this House.

I feel, Sir, that if the sum of 1,00 lakhs of rupees had to be utilised in a proper manner, it cannot be by the Government of India simply sending the amounts to the Provincial Governments, the Provincial Governments sending those amounts to the Collectors to distribute throughout the various villages in the form of doles. A crore of rupees is a very very small amount considering the objects that are before the Government to tackle the re-organisation of the villages and the unemployment problem in this country. I would, therefore, like to place some concrete suggestions in my own humble way. The immediate task before the Government of India is to establish a central economic council representative of the varied interests of this House, charged with the duty of looking after this part of the work, and similar provincial economic councils should be established in the provinces to tackle this work under the guidance and advice of the central economic council. Considering the smallness of the sum, it cannot be utilised in every part of every district of every province. The direction should, therefore, be that two or three selected areas in each province should be taken up for this experiment and the experiment should be in the direction of the State acquiring two or three areas in each province where they should start subsidiary industries; and the whole work should be under the control and direction of the central economic council and the provincial economic councils. The Government should direct the various departments concerned in the provinces, whether it is the engineering department or the co-operative department or any other department, to help these committees in their work. It is only in that way that the matter can be tackled, and I do hope that the Government will give us the opportunity of hearing their proposals as to the way they propose to spend this money, so that this House can give its representative views in the matter. I submit that many things can be done by these councils—they can help in the collection of statistics, they can speed up production and improve agriculture, they can improve sanitation and education in the village parts, and so on. I would like again to submit that if this experiment succeeds in the manner I suggest, it would, in the long run, be a paying proposition to the Government and the Government would not mind, when the results are known, to pay more and more money because it is the duty of every civilised Government to improve every village in the country, improve the hopeless condition of the masses of the population who are starving for food. I hope the Government will give careful consideration to this aspect of the question.

Here I would like to refer to the statement made by the Honourable Sir Frank Noyce in opening the Dayalbagh Industrial Products Exhibition the other day. I noticed he was very frank and less noisy in the statement he made: he referred to the wonderful work done by the Dayalbagh workers, who having spent Rs. 5,000 in the beginning, twenty years ago, have built up a beautiful colony today, where nearly 2,000 workers are employed and three thousand acres are under cultivation and various subsidiary industries have been started; and the Honourable Sir Frank Noyce referred in very appreciative terms to the way in which the little colony was

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administered in its various departments, and I would only like to refer to a certain passage which I very much appreciated in the speech of the Honourable Member:

"I have given you these facts and figures; but no facts and figures can give a true description of Dayalbagh. To use another biblical expression—and biblical expressions seem naturally to come to one's lips when one is talking of Dayalbagh—"it is the spirit which giveth life". It is the spirit behind these figures to which I would like to refer. It is impossible for me to do justice to that spirit and it is impossible I think for any one who has not visited the colony with its beautiful lay out and its happy and peaceful atmosphere to realise the driving force behind its multifarious activities and its combination of the ideal with the severely practical."

This statement is enough to prove the importance which the Honourable Member attaches to the organisation of similar colonies. The other day Pandit Govind Ballabh Pant, the Deputy Leader of our Party, made a suggestion that a loan of Rs. 100 crores might be taken to develop the country; and the Finance Member thought either it was done in a spirit of light-heartedness or was merely an imaginative effort. But I think if the Government of India seriously tackle these problems, we, on this side of the House, can give them very constructive proposals. But the whole trouble is this: it is the spirit, as was referred to by the Honourable Sir Frank Noyce, that is necessary: that spirit, unfortunately is lacking, because, unfortunately, the Government that sit on the Treasury Benches do not represent our country, but represent more or less the interests of England. If really nationalist-minded men, representing the people, were to sit on those Benches, I am sure, they will be able to think in terms of India and not in terms of England. However, I can assure the Treasury Benches that while we are not sure of cent. per cent. results under the present Government, and unless the present system is changed we shall not have cent. per cent. results, we are always, so far as we are concerned, prepared and willing where economic interests are concerned, to place our constructive proposals for.

Mr. President (The Honourable Sir Abdur Rahim): The Chair would remind the Honourable Member that the afternoon is allotted entirely to the European Group; therefore, this motion must be concluded before lunch.

Mr. V. V. Giri: Now, I would like to refer to the policy of the Government of India with respect to the workers in this country. The Trade Disputes Act has been in operation for the last more than eight years and I am bound to say that the spirit of the Act has not been put into practice. My submission is this: various disputes in India could have been prevented and great hardships to the poor workers could have been avoided if the Act had been put into effect properly. Many of the strikes that happened between 1927 and 1934 would not have happened if the Government of India had appointed the machinery intended to investigate these disputes that have occurred during this period. The Bengal Nagpur Railway strike of 1927, the Bengal Nagpur Railway lock-out of 1928, the South Indian Railway strike of 1928, the Great Indian Peninsula Railway strike of 1929 and the Madras and Southern Mahratta Railway strike of 1932 would not have occurred if the Government of India had appointed a board of conciliation or a Court of Inquiry; and I charge the Government of India that

they are responsible for the sufferings of the workers through all these years, and I charge them that they are responsible for these strikes. I speak, Sir, with some experience of these things, because I had to take part in all these strikes, and we always put forward our suggestions long before and even soon after the strikes had taken place to appoint a conciliation machinery to investigate into the disputes, but the Government of India never did so. If only the Government of India listened to our suggestions, I am sure those strikes would not have occurred; the general strike on Railways did not occur because the Government, at the instance of the Railwaymen's Federation, appointed a Court of Enquiry. A strike did not occur on the Bombay, Baroda and Central India Railway at Dohad, because the Government of India appointed a conciliation board. Therefore, I say, that the Government of India have not implemented at all the spirit of the existing law.

Another point I should like to mention is that the Royal Commission on Labour came to India in 1929, and it made its recommendations. Those recommendations were placed before the Provincial Governments and trade unions; there were discussions and discussions and discussions, but up to now those recommendations have not been given effect to. If the workers asked for bettering their conditions, the Government of India would trot out the proposition that the financial stringency would not permit of their doing anything to ameliorate their condition. On the other hand, we put forward proposals which did not involve financial commitments, but the Government of India were very tardy and dilatory and numerous strikes have occurred solely due to the inaction of the Government of India. I submit, therefore, that it is the spirit referred to by the Honourable Sir Frank Novec that is necessary to put these things into practice. It is because, Sir, that the Members of the Executive Council, sitting opposite, do not realise the difficulties and hardships of these people that they are indifferent to the woes of these poor people. If only all can realise, specially the Honourable Members on the other side, including some of our capitalist friends, that when they depart from this world, they would not take with them their millions to the other world or that the poor workers or beggars would not carry their rags with them to the other world; if they realise the fact that we have all come into this world naked and will get out of it naked, the world would be a better place, for, I am sure, if only Members sitting opposite realise this fact, better things will be done.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has only one minute more.

Mr. V. V. Giri: I thank you, Sir, for giving me an opportunity to explain my views, and I hope the Government of India will take the matters referred to by me into their serious consideration.

The Honourable Sir Henry Craik: Sir, I will detain the House for only a few minutes, because I feel I must say a word in regard to the somewhat astonishing observations that fell from the Honourable Member behind me on the subject of Communism. The Honourable Member showed not only what I am afraid I must consider the most gross ignorance of his subject, but he made propositions which, I must say, completely astonished me. I cannot believe that he would have advanced those propositions if he had

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studied carefully the very full statement of the objects of the Communist party in India which I laid on the table of this House in the course of the Autumn Session, in which I called attention to the fact that we had a finding, a judicial finding by a High Court, as to the objects of the Communist party. These are, in brief, a mass insurrection in order to destroy not only the present form of Government, but what the Communist party seem to think more important, the existing fabric of society altogether, and especially what they regard as the bourgeoisie, of which class they would probably consider the Honourable Member behind me as one representative. Their object is not an ultimate or remote object, but an immediate object which they hope to carry out in the near future, and in case any Honourable Members sitting opposite feel that that is an object,—I do not suggest that they do,—but in case they feel that any of those objects are objects for which they can have any sympathy, I may state that the Communist party in India hates the Congress and all its works even more bitterly than it hates the Government and its works. Now, Sir, in spite of that information and in spite of another published statement which appears to have escaped the notice of the Honourable Member,—the statement published by the Bombay Government when it proclaimed certain organizations as unlawful,—in spite of that information, the Honourable Member suggests that the Government is wrong in doing anything to stop the activities of the Communist party. The statement of the Bombay Government to which I refer was published about the beginning of November, about the time when they proclaimed as unlawful certain Communist bodies including one or two which call themselves Trade Unions, and they concluded their statement by saying that a full examination of the record of these associations has established the fact that none of them was a genuine labour organization, that they were wholly controlled by Communists and that they had been actively furthering the objects of the Communist party of India, that is, as I have said, a mass insurrection to take place at an early date. A short notice question has been placed on the paper regarding similar action taken by the Government of Bengal against certain associations in Calcutta, and I hope to be able to answer that within a few days, and on that occasion to lay on the table another full statement of the attitude of the Government towards Communist associations generally, but I cannot allow the present occasion to pass without expressing my astonishment at the doctrine which the Honourable Member behind me has put forward.

He argued that the Government ought not to use what he calls methods of violence, that is to say it ought not to put the forces of law in motion, against these organizations, although, as I have shown, they are preaching by every means in their power not only armed revolution against the Government, but armed revolution against the whole fabric of ordered society. He alleges that the reason why the Communists attain any success in India is because of the poverty of the country. That is not so. I dare say, that is a contributing reason, but the main reason is because they are inspired by insidious propaganda from abroad and by the supply of money from abroad to carry out their nefarious objects. To suggest, as the Honourable Member suggested, that Government should stand by and watch these organizations daily growing in strength, daily permeating more and more into the masses of the people, until, I suppose, eventually an armed revolution breaks out, is, to my mind, the feeblest and most completely defeatist suggestion ever made, and I do not think any Government,—whether the

Government in its present form or a Government composed of Congress Ministers,—would listen to it for a moment. He actually suggested that we are to stand by and watch the people working for what I can only call a red and bloody revolution within the next few years and to do nothing whatever to stop it. I hope, Sir, the House will repel with all the strength it can the suggestion that Government should accept such fantastic and utterly impracticable suggestions.

Mr. H. P. Mody (Bombay Millowners' Association: Indian Commerce): I desire to say a few words on this cut motion. My Honourable friend, **Mr. Joshi**, is a very privileged person. (Laughter.) He seems to be against every single activity, action and policy of the Government of India, and the harder he kicks against their policy and actions, the better the Government seem to like him. This seems to have given my Honourable friend a great deal of confidence, and he now wants to censure Government in respect even of matters in which, if anything, he has reason to be extremely grateful. Those of us who have had any acquaintance with the record of my Honourable friend, **Sir Frank Noyce**, as Member for Industries and Labour, are bound to recognise the great work that he has done in the way of the amelioration of the lot of labour. We have also seen that the devoted Secretary of his Department, **Mr. Clow**, has not spared himself in his efforts to implement such of the International Conferences Resolutions and recommendations of the Whitley Commission that are capable of being put into practical effect in the present stage of India's development. Yet, my Honourable friend gets up here and wants to censure Government for its failure to do anything for the labouring classes.

Mr. N. M. Joshi: I did not say anything.

Mr. H. P. Mody: My Honourable friend does not know when he is well off. (Laughter.) The Government of India could very well take advantage of the fact that trade unionism in this country is not only in its infancy, but that so far as particular industries are concerned, is non-existent. There are, of course, well organised and well conducted unions like the Railwaymen's Union, of which my Honourable friend, **Mr. Giri**, is the leader. These are functioning as trade unions, and whatever they have to urge must be listened to by every section of the House. But there are industries in which no trade unions exist and the Government of India could legitimately say that there was no pressure from any labouring interests with regard to labour legislation and they could very well sit still. Instead, the Government, under the inspiration of my Honourable friend, **Sir Frank Noyce**, have come forward repeatedly in this House, in the last few years, and proposed one measure after another. My Honourable friend does not seem to appreciate that at all.

Labour legislation must, in my opinion, at any rate, be strictly conditioned by the circumstances of particular industries. I am not suggesting for a moment that any industry has a right to exist which does not pay a fair living wage to its workers, and, so far as employers of labour are concerned, if there be any who have an idea of exploiting labour or of not giving it a square deal, I say they have no right to exist, and they will receive scant consideration not only at the hands of my Honourable friends who represent labour interests, but I hope of enlightened employers of labour as well. But capital is entitled to a reasonable remuneration for what it has put in, and if there is no capital there can be no labour. I say, therefore,

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that all those schemes of welfare work, which have been adopted by more advanced countries which can afford those things, cannot bodily be transplanted into India and made operative. And yet a great deal has been done in recent years, and I hope that a great deal more will be done, and I foresee a time when employers of labour will themselves inspire and foster schemes of labour amelioration. Even today, with all the limitations that have been imposed upon them, there are many employers of labour who run their factories on lines which can challenge comparison with what is being done in other parts of the world. But you cannot force the pace, and what the Government of India have done so far is to hold the scales strictly even, and my Honourable friend, Sir Frank Noyce, deserves credit, and not censure, for all that he has done. (Hear, hear.)

An Honourable Member: In fact, he has done more than we desired.

Mr. H. P. Mody: I do not wish to say anything about my Honourable friend, Mr. Joshi's reference to Communists. I have said and written a great deal on the subject. So far as it is a dispute between Mr. Joshi and the Honourable the Home Member, they can fight it out amongst themselves. But from the point of view of the City in which Communism has played a very disastrous part, I can only say that, if it were not for the fact that those people who represent labour in this House cannot stand up against the forces of extremism and Communism in the very City in which they live and work,—it is because of that circumstance that Communism has raised its head. It is a tragedy that some of the so-called leaders of labour are unable to control or lead labour, with the result that poor, unorganised, ill-educated labour falls into the hands of unscrupulous agitators. I hope this House will not encourage my Honourable friend, Mr. Joshi, in the policy that he is pursuing. If his policy were to succeed and if every single recommendation that was made by the Labour Commission or by International Conferences were sought to be put into operation immediately in the present very poor stage of India's development, capital and industry would cease to exist, and those for whom my Honourable friend, Mr. Joshi, purports to speak would also be starved out of existence. (Cheers.)

The Honourable Sir Frank Noyce (Member for Industries and Labour): As is usual on occasions when my Honourable friend, Mr. Joshi, raises his annual voice of protest against me and my Department, the discussion wanders over a very wide field. It is very difficult, therefore, for me to deal adequately with the various points that have been raised in the short time at my disposal, for I fully realise that the House is anxious to get on to the discussion of the next motion. My Honourable friend, Mr. Joshi, reminds me of a character in a well known novel, in that he is never satisfied and is always asking for more. But unlike Oliver Twist, he does occasionally get more—(Laughter).—more perhaps than meets with the approval of some sections of this House. Again, he is always actuated by a keen desire to have everything done at once. I can only regard that as an implied compliment to the present Government as due to the feeling that the future Government is not likely to go as far as he would wish.

In the Mother of Parliaments, a short time ago, Mr. Joshi was unfairly and unkindly referred to by a Member, himself, I think I am right in saying, a Labour Member, as a man "picked out by the Government to sit

at Delhi to pretend to represent labour". Now, as I have said, I regard that remark as both unfair and unkind, but as is often the case with unfair and unkind remarks, there is a solid substratum of truth in it, and that substratum is that when Mr. Joshi speaks for labour, he very frequently voices not the desires of labour, but his own desires. He is constantly asking Government to take action on lines for which there is no apparent demand on the part of labour. I would give as a typical instance of that the first point that he raised, with regard to health insurance. There are no indications whatever that a system of health insurance would be welcomed by the workers. It would involve a constant series of deductions from their wage for a purpose in which quite a number of them have no belief at all and from which consequently many would derive little or no benefit. I would draw the attention of this House to what was said on this point in the last Assembly in regard to an experiment that Government tried to make themselves in the direction of health insurance, namely, in the Khewra salt mines. In that case, Government tried to work out a scheme by which they, in addition to paying the whole cost of the medical attention, were to provide half the cost of the financial benefits, that is, the actual proportion of wages—which was, I think, two-thirds wages in this case—to be given when the workman was ill. We asked the miners to contribute the other half, which was to be their only contribution, and we estimated that it would come to half an anna in the rupee of wages. They quite emphatically, and practically unanimously, declared they would have nothing to do with it; and Government felt that they really ought not, under the circumstances, to make the deductions compulsory, particularly as they had certain legislation for preventing other employers from making certain compulsory deductions under consideration, the legislation which is at present before this House. We have no reason to believe that workers

employed by private employers would look at this matter in a different light from that adopted by Government employers. Mr. Joshi accuses us of having done nothing in this matter. I wish that, instead of bringing this annual censure motion against us, Mr. Joshi would occasionally come to talk to me about these matters and then I could explain to him what we are doing. In spite of our experience in the Khewra case, we have been exploring the possibilities of health insurance exactly in the manner suggested by the Whitley Commission. That Commission recommended inquiries by a small informal committee of the Central Legislature with medical, actuarial and statistical assistance. That, Sir, is exactly the procedure that we have adopted. The informal committee of this Legislature consists of our own Standing Advisory Committee elected by this and the other House. Medical assistance has been provided by the Public Health Commissioner, Colonel Russell, who has taken a very great deal of trouble in this matter. We have obtained the actuarial and statistical advice from London through him. He went very carefully into this question when he was in England and brought us back a large amount of most valuable information. The question has been placed before our Standing Advisory Committee on two occasions. It bristles with difficulties. The more one examines it, the more difficult it seems to establish a system of health insurance in this country, for the same reason as it is difficult to establish a system of unemployment insurance, namely, the complete absence of all data on the subject. We are, however, again going into this question with our Standing Advisory Committee before the end of this Session and we propose to consult them on the lines on which we should address Local Governments in regard to it. But, Sir, I would submit that

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in any case the question is not one on which, in present circumstances at least, all-India legislation is desirable. Health is a provincial subject and in starting with entirely new ideas of this kind, the only sound method is to begin experimentally. Even a province is too large an area for experimental work. On the eve of provincial autonomy, it would be entirely wrong to attempt to saddle the provinces with a system which would necessarily be prepared without any adequate experimental basis and which, if carried out on any appreciable scale, would be extremely costly to administer and maintain. Mr. Joshi comes here and tells the Government that it is doing nothing. He wants to know what Government is doing.

An Honourable Member: Give him more.

The Honourable Sir Frank Noyce: Sir, I may be a worm, but I can occasionally turn and and I would turn on my Honourable friend, Mr. Joshi, and ask him what he and other labour leaders are doing. (Hear, hear.) What are they doing? He comes here and voices his protest in this House but what is he doing to induce his constituents, the labour of which he claims to be the leader, to get used to ideas of this kind?

I now turn to the next important subject that he referred to in the course of his speech, that of the Industrial Council. He referred to the debates in another place on that subject but I do not know how far the Members of this House are acquainted with what was said there. If I repeat the arguments which were used by Mr. Mitchell in replying to the Resolution moved in the Council of State I trust I may be forgiven. I would, in the first instance, draw the attention of the House to the fact that the Whitley Commission did not regard this as an immediate matter. It is true they did not rule out the possibility of an Industrial Council being started before the Reforms, but it was the position under the Reforms that they had mainly in view and their principal object was to secure under a decent, ordered system of Government that measure of uniformity and co-operation which they regarded as essential. I maintain that the attempt to institute an Industrial Council now would be premature. Labour, as the House is aware, is at present a reserved subject and Provincial Governments are only partially responsible for it. There is no guarantee whatever, that responsible Provincial Governments would hold the same view as to the composition or the manner of operation of the Council as the Whitley Commission did. I would draw the attention of the House to an interesting analogy which is furnished by the recommendation of the Industrial Commission which contemplated a system of organisation, including two new all-India services, which was designed in the pre-reform period. That recommendation proved unacceptable to the Ministers when they came into office and effect was never given to it. There is every possibility, at least there is a very strong possibility, that an Industrial Council, constituted under the present regime, would not prove acceptable to the new Provincial Governments. As Mr. Joshi himself admitted, though he very lightly passed over the difficulty, no system instituted now could embrace the States and it is obvious that it would have to be revised as soon as Federation comes into being. There is provision in section 139 of the Government of India Bill to enable a Council to be set up when it is wanted. Lastly, on this point, I cannot see that an Industrial Council at this particular juncture would serve any useful purpose. We are still engaged in carrying out the Whitley Commission's programme. There is

a good deal that remains to be done. That programme was prepared after full consultation with labour, with capital and with Governments throughout India. It is, therefore, unnecessary to have it revised by an Industrial Council and if the Council were to take up new schemes coming outside it, they would have to wait until the present programme has been exhausted and that will take a considerable time. The Whitley Commission I may remind the House, recommended that the Industrial Council should be a statutory body. Statutory legislation in regard to such a Council would be extremely difficult in the circumstances I have endeavoured to explain and I maintain, Sir, that we have every justification for putting the constitution of this Council at a late stage in our programme and, in the meantime, devoting our attention to measures which bear more directly upon the amelioration of labour conditions.

There is another small point that Mr. Joshi raised in regard to nutrition. He said very little about it, possibly because he knows that the establishment of a nutrition institute on the scale recommended by the Royal Commissions on Labour and on Agriculture has been held up for lack of funds. But, Sir, the fact that the establishment of a nutrition institute on a large scale has been held up for lack of funds does not mean that no attention is being paid to the subject. Colonel McCarrison in his laboratory at Coonoor has continued to do excellent work in regard to it. He is either on the point of retiring or has already retired and his place is being taken by Dr. Ackroyd of the League of Nations Health Service, who has, I understand, acquired a varied experience and an international reputation on work of this kind. I think that is sufficient to show that this recommendation of the Royal Commission has not been overlooked. Time is pressing and I am afraid I cannot deal at length with the points raised by my Honourable friend, Mr. Giri, but I should like to ask him where he got his figures of 40 million unemployed in this country from. I think he said 40 million wholly unemployed and 20 partially employed.

Mr. V. V. Giri: Sir M. Visweswaraiya quoted it in his book. That is my authority.

The Honourable Sir Frank Noyce: Sir, I am studying Sir M. Visweswaraiya's book with the closest attention, but I find it very difficult always to follow him as so much of his argument is based on figures for which he gives no authority. This is one of them. I am quite certain that his estimate is not based on census figures. It is just his general estimate: and I maintain that every Member of this House is in as capable a position to decide how many unemployed there are in India as Sir M. Visweswaraiya. I, for one, do not agree with his estimate of 40 million unemployed.

Pandit Govind Ballabh Pant (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): That is incorrect. There are more.

The Honourable Sir Frank Noyce: My Honourable friend, Mr. Giri, raised a point about the working of the Trade Disputes Act. I think he maintained that in several cases, at any rate, strikes would have been averted if the Government of India had appointed a Court of Enquiry. Well, Sir, I have not all the facts of the case at my disposal and I cannot carry them all in my head, and even if I had, I doubt if I should be justified in wearying the House with them. But I think I am right in saying that in the Bengal Nagpur Railway case (certainly in one of them) further

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concessions were made by the employers, and so far as I can remember, no strike occurred. In the case of the Madras and Southern Mahratta Railway, there was an actual committee of conciliation sitting, and, therefore, there was no need for any Tribunal. Apart from Railways, the question of appointing Tribunals is one for Local Governments. The last application I can remember related to the Madras and Southern Mahratta Railway, and in that, the Union declined to withdraw the accusation that the Agent had acted in bad faith. Now, Sir, I would ask: "What is the use of asking a third party to try and conciliate between two other parties, if one party declines to accept the *bona fides* of the other"? It is as if Mr. Giri said: "Please make me friends with Mr. X. I must continue to tell him that he is a scoundrel, but I must ask you to make me friends with Mr. X again." (Laughter.) That is the position with regard to the last Madras and Southern Mahratta Railway strike. As regards Mr. Giri's suggestions in respect of the one crore grant for village uplift and in regard to economic planning generally, I must leave those to be dealt with by my Honourable friend, the Finance Member. He will doubtless have an opportunity of doing so at some further stages of the discussions. My Honourable Colleague, the Home Member, has already dealt with the question of Communism. That, Sir, concludes all I need say, except that I am very grateful to my Honourable friend, Mr. Giri, for the reference he made to my speech at the opening of the Dayalbagh Industrial Exhibition. Mr. Joshi comes here—as I have already said more than once, and as I shall probably have to say many more times during my term of office—Mr. Joshi comes here year after year and complains that Government are doing nothing. Now, "Dayalbagh" shows what the people of India can do for themselves with a modicum of Government assistance. As Mr. Giri quoted from my speech, Biblical quotations come very naturally to one's mind in dealing with "Dayalbagh". I gave those present two such quotations last Sunday, and I will now give one more and that a final one: "Go thou and do likewise". (Hear, hear.) (Applause.)

Mr. N. M. Joshi (Nominated Non-Official): Mr. President, I shall not detain the House for more than a few minutes. The fact that I am a Nominated Member in this Legislature, nominated by Government, has come in during the last two or three days for some criticism. I am very grateful to my Honourable friend, Sir Frank Noyce, for saying a few kind words about me in reply to what Colonel Wedgewood has said about me in the House of Commons, and I am also very grateful to my Honourable friend, Mr. Mody, for referring to me as being a privileged person.

Mr. H. P. Mody: Aren't you?

Mr. N. M. Joshi: Mr. President, I feel it is a privilege to have the opportunity to represent the working classes of this country in the Legislature of our country, and I am very grateful to the Governor General and to the Government of India for nominating me.

An Honourable Member: You do not stand alone,—there is also Mr. Giri there.

Mr. N. M. Joshi: But, at the same time, Mr. President, let me assure my friend, Mr. Mody, and all those who have criticised me, that I do my

duty according to my lights. I may be displeasing some people, but I hope I shall have the strength to continue in the course which I have placed before myself. (Hear, hear.) I do not wish to say even a word more about this aspect. The Honourable Member in charge of Industries and Labour, so far as my suggestion for the establishment of some scheme for sickness insurance goes, said that he would like the Provincial Governments to take the initiative in these matters. I think, Sir, it will be wrong to expect Provincial Governments to take the initiative in these matters. It is not easy for a Provincial Government to take an initiative, on account of industries being competitive. Health insurance will require some contribution from employers, some contribution from Government and some contribution from the employees themselves. So far as Provincial Governments are concerned, I take it that the Provincial Governments may be persuaded somehow to make a contribution, and in spite of the fact that the Honourable Member thinks that the working classes will not be willing to contribute. I feel they would be willing to contribute. It is a matter of experiment; somebody has to make the experiment, let us make it.

The Honourable Sir Frank Noyce: Government have already tried the experiment. It has failed.

Mr. N. M. Joshi: Government might have tried the experiment. I do not think, however, that that experiment has been fully tried out. I have absolutely no doubt in my mind that if a health insurance scheme is established by Government, the working classes would not complain about the contribution which they will have to make; but at the same time I feel that the employers in one province will not generally agree to have contributions levied against them unless the employers in other provinces are also asked to pay contributions. Industry is competitive. It is, therefore, necessary that a scheme of this kind should be undertaken by the Government of India and should not be left to the Provincial Governments. The Honourable Member referred to the fact that the working classes generally should take the initiative. He asked me what I had done in this matter. Well, Sir, what I have done is to bring forward this cut motion in this Legislature. (Laughter.)

I generally employ all my time in making suggestions, and I think, Sir, it is not a very easy work to do, but still I undertake it. As regards the Industrial Council, the Honourable Member maintained that it will not be very practicable to undertake the establishment of the Industrial Council on account of the future Constitution. The Honourable Member said that I had greater faith in this Government than in the future Government. Well, Sir, that is a fact. It is because that is so, that I voted against the Joint Parliamentary Committee Report. I feel that the future Government with the two Chambers in the Centre and the two Chambers in the Provinces is bound to give us a worse Government than the present Government. (Hear, hear.) It is, therefore, quite natural that I should like the Government of India to take action in this matter immediately.

Then, Sir, one word about what the Honourable the Home Member said. He said that I was ignorant of the subject. But what else can happen? I want to read books on Communism, but the Honourable Member will not allow me to read books on Communism.

An Honourable Member: Get it from his private library.

Mr. N. M. Joshi: I remember a gentleman, who is very closely associated with me, returned from Russia with a number of books. He is a Nominated Member of the Bombay Council today. The books he brought were not allowed to be taken possession of by him. I really want to have a very clear notion about Communism, but, unfortunately, the Honourable the Home Member will not allow me to do that. One thing I would like to say to the Honourable the Home Member and that is that Communism is allowed to exist in Great Britain.

An Honourable Member: No, no.

Mr. N. M. Joshi: Yes; it is allowed. The Trade Unions are not suppressed because the Communists are their leaders, and, after all, no disaster has overtaken Great Britain on account of their allowing Communism to exist in Great Britain. I think no disaster will fall on India if communism is allowed to exist in this country. Sir, I have nothing more to say.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the demand under the head 'Executive Council' be reduced by Rs. 100."

The motion was negatived.

The Assembly then adjourned for Lunch till Twenty-Five Minutes to Three of the Clock.

The Assembly re-assembled after Lunch at Twenty-Five Minutes to Three of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

Necessity of adapting the Administration to meet Modern Economic Needs:

- (a) *Establishment of Cabinet Secretariat,*
- (b) *Redistribution of Portfolios,*
- (c) *Economic Advisory Staff,*
- (d) *Overseas Department,*
- (e) *Tariff Board, and*
- (f) *Revision of Customs Tariff.*

Mr. P. E. James (Madras: European): Sir, I beg to move:

"That the demand under the head 'Executive Council' be reduced by Rs. 100."

The general purpose of this motion is contained in the words which follow in brackets after the motion. I should like to make it quite clear that this is not a censure motion in the ordinary sense of the word. It is really a motion which is moved by us to draw attention of the House

and of Government particularly to certain proposals which we made last year at this time and some of which I shall repeat in a modified form now. If we find that the attitude of Government towards those proposals is satisfactory, we shall ask leave of the House to withdraw the motion.

In the first place, I should like to refer to the debate last year. We had a whole day devoted to the question of the need for certain administrative changes in the machinery of Government which aroused a great deal of interest throughout the country. I myself was astonished at the interest that was aroused and was the recipient of a great many letters, including a number from various Provincial Ministers, referring in terms of appreciation to the general debate which followed the motion which I then moved. And the general proposals, which I then made on behalf of my Group, have since been discussed by various Chambers of Commerce and other trading and industrial organisations throughout the country, so that the debate served a very useful purpose then in rousing public opinion on a matter which we still believe is of very great importance.

Now, Sir, as far as the specific proposals which I made last year are concerned, I would acknowledge the fact that some of them have already been accepted and others are in process of being carried into effect. For example, the consolidation of the tariff schedule which we pressed last year was effected by legislation at the end of the Session in April. And speaking for our own commercial interests, and, I think, for commercial interests generally, we very much appreciated that action on the part of Government. Then, Sir, we understand from speeches delivered in this House by the Honourable the Commerce Member and in another place by the Chief Commissioner for Railways that the question of the revision of railway tariffs is proceeding and will be expedited as far as possible, and that trading and commercial interests will be consulted during the course of that inquiry before any final conclusions are reached. We attach very great importance to the consultation with trading and commercial interests in the course of that inquiry. I may say here in passing that recent discussions on this question of railway rates raises in my mind and in the minds of many of my own friends the absolute necessity of the establishment of a Railway Rates Tribunal in connection with the establishment of a Railway Statutory Authority. There must be some independent authority to which the public can go, both as regards passenger and as regards goods rates, in connection with the railway tariff.

Then, as far as the revision of the customs tariff generally is concerned, in regard to non-protected articles which we pressed last year, I am afraid we have to record now that so far nothing definite has been promised to us. It is true that the Finance Member, in his reply to the general discussion on the budget, stated that no serious revision of a general nature was possible in the direction which we suggested unless he had some money to play with. We admit that as a perfectly obvious fact, but what we should like him to agree to now is to initiate a careful investigation into the existing rates with the object of securing greater uniformity and a larger free list in regard to those articles which are absolutely necessary for India's internal economy, particularly in connection with the development of agriculture.

Then, Sir, last year we referred also to the Tariff Board and we pleaded with Government for some modification both in the composition and in the function of that body. We referred last year to the temporary nature of the Board and its temporary character was revealed in answer to a

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question put by one of my Honourable friends on the other side of the House by the Commerce Member only the other day. It appears to us that from the probable trend of economic development in this country in the near future it is more than likely that this body, the Tariff Board, will have its hands very full. We, therefore, suggest that its procedure should be less leisurely than it is today and that the preliminary step of establishing to the satisfaction of the Commerce Department a *prima facie* case for inquiry be abolished. I submit, Sir, that the Tariff Board, after all, is only an advisory body, and that the responsibility for Government policy in regard to tariffs remains and must continue to remain in the hands of the Government of the day. Therefore, that being so, we see no danger in suggesting a modification of the present procedure whereby the course of the inquiry may be expedited and whereby Government's conclusions on the consideration of the results of that inquiry may similarly be accelerated. And I very much hope that we shall have some indication today from Government as to whether they are prepared to consider the modification of the machinery in that direction.

Now, Sir, before I go on to the proposals which we wish to continue to press today, I want to say straightaway that we disclaim any attempt to propound schemes of "planned economy", which is a phrase much misunderstood and much abused. We also repudiate definitely that in our suggestions we either infer or imply any attack on any individual or any body which now exists. We believe that in some respects the present system in regard to those matters which I shall shortly describe is, generally speaking, ill-adapted to present-day needs. On the other hand, we do believe that considering all the circumstances, even the present system has stood remarkably well the strain of the world crisis. I should like to say here and definitely that we recognise that much of that is due to the courage and the hard work of those who have been in charge of the various departments during the past few years. On some of them, as we know from experience who have been in close touch with them during these years, on some of them successive emergencies have imposed an almost intolerable strain; and when I heard some of my Honourable friends the other day speak about the peaceful life of some of the Members of the Executive Council, I thought that they could not have been aware of that life certainly during the past few years, and it is only proper that, whatever we may think of the policy of those who administer the Government of this country, this House should recognise the courageous way in which the heads of the departments and the Members of the Executive Council have tackled an unparalleled situation in world economics and have achieved a great deal in this country during most difficult years indeed.

Now, the object of this present motion is limited to the adaptation of certain elements of the administrative machine to meet modern requirements. The present departmental system is a survival to a very large extent of the days of Lord Curzon, and we do not think that in many ways it is really suited to that joint responsibility and co-ordinated action which are so necessary today when practically every country in the world is committed to some form of economic nationalism and is going in for some form of planned effort. Last year, we pressed for a redistribution of the portfolios of the Government of India; and we still believe that this is an urgent and important matter. We consider principally that such redistribution should involve, first of all, the formation of a Ministry of Communications, bringing under one Member or Minister Railways, Roads,

Civil Aviation and Posts and Telegraphs; and, secondly, the portfolio of Commerce and Industries or Trade, involving the reorganization of the present Commerce Department so as to form separately under one Member or Minister a section of Overseas Trade, a section of Shipping and a section of Trade and Industries. The duty of the overseas section would be to foster Indian commerce and to deal with commercial relations and treaties. No one can say that that is not a very urgent matter at the present time. We hear almost every day of abrogated treaties, of action being taken by foreign countries which are calculated to injure India's export trade. Therefore we consider that it is very essential that the department should be strengthened by the formation of a separate overseas section along the lines of the overseas department of the Board of Trade. The section of trade and industries should deal with matters affecting Indian industries and internal trade. I turned over a book during the week-end and found that in the Order in Council issued by His Majesty the King in 1860, establishing the Council of Trade in the United Kingdom the following words appear:

"To take into consideration the native commodities, their growth and production in our kingdom and how they may be ordered, nourished and manufactured to the employment of the people and to the best advantage of the public."

That is exactly the function of the Department of Industries and Trade or the section of industries and trade to which I am now referring. Problems of commerce and industries are inter-related. Those of us who have had to deal with various industrial and commercial problems in recent years have come to realise the essential inter-relation of these two Departments and how there is sometimes now a tendency for one Department to work on one line and another Department to work on another line. Indeed it is sometimes left to the outsider to reconcile those two conflicting points of view in regard to specific proposals. When, therefore, these Departments under one Minister change the present bottle-neck system whereby everything passes through one office in the Commerce Department into the establishment of three sections, it would, in our view, conduce to greater efficiency. There may, of course, be other forms of redistribution which are possible and desirable as far as the Executive Council is concerned. I am not going to suggest others. I refer to these particular ones because they are in regard to subjects in which we are more particularly interested.

The redistribution of portfolios would, to our mind, inevitably involve the establishment of some definite machinery relating to the Cabinet or the Executive Council as a whole, by which records may be kept and decisions may be communicated to various Departments. We are not suggesting any precise method; we believe that a redistribution of the portfolios along these lines will automatically render some method or machinery of that nature absolutely essential. Perhaps we may suggest to the Government that they might invoke the services of Sir Maurice Hankey who, since, I think, 1919, has been the Secretary of the British Cabinet and who has had unrivalled experience in the organisation of machinery in regard to cabinet co-ordination and responsibility. I understand, and I am glad to note it, that the Government of India have accepted in principle the formation of a Ministry of Communications. We consider that a very great step. The precise time at which the change

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should take place is, of course, a matter for the Governor General himself; but, on further consideration of the matter, we came to the conclusion that the distribution between the two portfolios now mentioned is not really enough. We suggest that the whole question of the distribution of portfolios and the Executive Council needs revision. We are quite aware that we may be told that these matters can await the establishment of the new Federal Government. We do not agree with that view. If for any reason Federation does not materialise simultaneously with or shortly after provincial autonomy, the establishment of responsible Ministries in the provinces and the redistribution of subjects will in any event necessitate changes in the Centre and in the administration of the Government of India. We, therefore, suggest that the proper time for the changes which we envisage would be the establishment of provincial autonomy in the provinces, and that in the meantime, in order to be prepared for that occasion, inquiries should be undertaken with that end in view.

The second main proposal which we made last year and on which we have not so far heard of very much progress, is in regard to the appointment of a small staff of economic experts and the creation of an economic advisory council. As I have said, we have discussed these proposals during the year with responsible bodies and we now continue to press for a small economic staff of say three persons attached to the Government of India as a whole. One of them should be, we suggest, a person of outstanding ability who should be termed the Chief Economic Officer of the Government of India. Owing to pressure of administrative business on the departments, the present Secretaries of the departments are working under constant pressure to keep abreast of current problems; they, therefore, as a natural course, have less and less time to give to a comprehensive consideration of economic developments and tendencies. The proposed economic staff, in our view, should stand outside the general stream of departmental business though maintaining contacts with all departments. It should advise Government with regard to the economic consequences of their own policy, undertake inquiries of an economic nature and supply statistics and other relevant information to the Executive Council and generally advise in an expert capacity all or any of the departments. It should be free from administrative routine in order to devote itself to "thinking out" the many problems that confront the Government every day. We suggest that the nucleus of the staff is already present in the Director General of Commercial Intelligence. We do emphasise, however, that this staff must be relieved of ordinary departmental routine, so that the whole of its time may be made available to the real task of consultation, co-ordination, inquiry and advice on economic matters.

The Honourable Sir James Grigg (Finance Member): A super Council?

Mr. F. E. James: We do not propose a super Council. The staff should be permanent, and not liable to the ordinary three-year tenure—a system of doubtful advantage anyway. This staff would be only advisory. There is no suggestion of a "Brain Trust", that is what the Honourable the Finance Member suggested.—there is no suggestion of a "Brain Trust" dictating policy, or of an additional department with administrative functions. The duties which we envisage are described in an article

which appeared in the *Statesman* of Sunday last, under the heading "The Craze for Planning", which says:

"The type of adjustment most needed in the machinery of Government is the creation of a compact "policy cabinet" freed from departmental responsibilities of a central planning body with the necessary resources and powers to obtain information, to make surveys, and to work out schemes over a wide field, without expensive functions and with responsibility to the Cabinet alone."

So far as the Economic Advisory Council itself is concerned, we recognise the difficulties that were mentioned last year by Sir George Schuster and which we have realised even more fully since, and we suggest that that might be left for the time being. We do urge, however, the importance of periodic economic conferences with the Provinces on which the advice of the Economic Staff might be of very great value.

Sir, I would, in this connection, refer to the Bowley-Robertson Report which was published last April. I would refer specially to two paragraphs, and I would seek your permission to read them. First of all, at page 2, they say this:

"We recommend the abolition of the title of Director General of Commercial intelligence and Statistics and the establishment of a Permanent Economic Staff, directly attached to the Economic Committee of the Governor General's Executive Council. The staff should consist of four Members. The Senior Member should act as Secretary to the Economic Committee of the Council, to whom he would be responsible for the organization of the whole work of economic intelligence."

Then, the second paragraph is taken from the same page and the same Report:

"The whole staff would maintain the closest possible contact with certain other officers of Government, including both some whose duties are primarily administrative and some whose duties are primarily technical and advisory. It would be within its competence to recommend to the Economic Committee of the Council the *ad hoc* engagement of external technical experts for the purpose of reporting on the economic potentialities of particular areas or of particular branches of processes of production."

We do stress the importance of some of the recommendations contained in this Report, particularly those that I have already referred to and others which refer to the collection of statistics, the initiation and continuation of series of index numbers, of prices, wages, production, etc., etc. I should like the Honourable the Finance Member to tell us whether the Government of India have completed their consideration of this Report, and if so, what, if any, action has been decided upon.

Sir, these are the two of our main proposals. They are very modest. We do not claim infallibility for them, nor do we claim completeness for them. We put forward the suggestions in the same spirit in which we made our suggestions last year. We believe that the development of India's internal economy and external trade is a vital and a necessary and urgent matter. The basis of India's prosperity is the purchasing power of the agriculturist. An outlet for his products is essential, while re-distribution and extension of home manufactures are equally essential. There must, therefore, be a balanced economy in our policy. There are wider questions on which I do not propose to touch. But we are anxious if we can, to secure some adaptation of the present machinery which will equip the Government with the scientific knowledge required and encourage greater co-ordination of effort and policy. We believe that the present

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Government owes it to the new Government of the future to hand over a machine which is modernised and rationalised and more suited to the new conditions under which responsible Government will operate. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand under the head 'Executive Council' be reduced by Rs. 100."

Mr. B. Das (Orissa Division: Non-Muhammadan): Sir, the House is always interested when my Honourable friend, Mr. James, sets a few problems to it to solve. The problems which he has so eloquently put this year read along the problems he set last year are very difficult and comprehensive, and that is why it is really very difficult to suddenly express opinions on every one of them, but I do hope, when my friend, Dr. Ziauddin Ahmad, rises after me, he will solve some of the difficult puzzles which I am not able to handle.

Sir, with one portion of Mr. James' observations I agree, and that is, the administration of the Government of India requires planning. Those of us who have watched the Government of India's administration and the working of the Secretariat after the inauguration of the Mostford Reforms will find that there had been changes in the policy of the organization of the Secretariat on three or four occasions at three or four different periods. There was a time when the Government of India policy was to Indianise the Secretariat Offices, I mean the higher posts—viz., the Secretaries, Deputy Secretaries and Joint Secretaries were attempted to be Indianised. But, Sir, the Simon Commission Inquiry came, and, thereafter, with the idea of establishing reserved subjects, the predecessor of the present Finance Member tried to drive away every Indian from the highest Secretariat staff of the Finance Department. At present, in the Finance Department, there is not a single Indian barring the Budget Officer who occupies, I think, the position of Under Secretary in the Department. The other Departments, barring the Department of Education, Health and Lands, contain only one Indian not higher than a Deputy Secretary as if one Indian against so many European officers would be able to satisfy planned administration for India. Therefore, I support the spirit underlying the observations of my friend, Mr. James, that the Government of India have not moved with modern conditions, nor have they tried to translate the promises that previous Members of the Executive Council gave on the floor of this House. They have gone behind those promises. They might now be working in the spirit of coming events that the administration will be day by day more rigorous and they do not want to part with any responsibility, but I do hope that if there is any idea of modernising the administration of India, there should be a sufficient number of Indians occupying positions of trust and responsibility such as Secretaries, Deputy Secretaries and Joint Secretaries, in the Government of India. I also don't believe that there should be such large numbers of Secretaries, Under Secretaries and Joint Secretaries in the Government of India; their numbers should be reduced.

Sir George Schuster gave the assurance:

"As soon as a convenient opportunity occurs, it is definitely the intention of the Government of India that the question of the change should be taken up."

That opportunity is coming very shortly, and I hope the Government of India will hand over to one Member all the Departments which my Honourable friend, Mr. James, described as Communications. Last year, my Honourable friend also suggested that the Department of Inland Steam Navigation and Shipping should be under the Member for Communications, but this year he has not mentioned anything about inland navigation. But I hope he still adheres to the views expressed by him last year.

As regards the reshuffling of the portfolios of the present Cabinet Members, I know that some of the Departments have very little work. They have increased the amount of work by increasing the number of files although they have really very little work to do. If I may express an opinion, the staff of the Secretariat can be reduced by half, and the supervising staff, I mean, Secretaries, Additional Secretaries, Deputy Secretaries and Assistant Secretaries, can also be reduced by half. It is no use increasing the number of files and sitting over them and expressing opinions months and months after. I do recognise there has been some additional work due to the contemplated reforms, but the Reforms Department has grown under the patronage of the Home Department and it is now a much bigger Department than perhaps the Home Department itself. I do hope, now that the reforms chapter is closed, that Department also would be abolished.

I am not surprised that my Honourable friend, Mr. James, spoke hesitatingly on that most interesting subject, economic planning or planned economy. It is true there were two gentlemen, Messrs. Bowley and Robertson, who were investigating something in that line in some ante-room of the Secretariat. But as soon as my Honourable friend, the new Finance Member, landed in India, he bowled out those two Professors and their report as well, and nobody has heard of them or their report until they have been resuscitated today by my Honourable friend, Mr. James. We have forgotten not only those two Professors, but also the existence of those Indian Professors who assisted them. What Roosevelt dreamt or dreams in America, what the Soviet Dictator, Stalin, practises in Soviet Russia, the Government of India, being alien and bureaucratic as they are, cannot conceive. They can befool us once; they can befool us twice; but they cannot befool us all the time. Nobody thinks of India's planned economy, and I am glad we heard the last of it when Sir George Schuster left the shores of India. In a way—I have expressed the view elsewhere—I welcome even the little attempt on the part of the present Finance Member to allot a crore of rupees for economic recovery. I welcome the phrase "economic recovery"; it sounds much better than economic planning, because the phrase "economic recovery" means one crore of rupees this year, and, in the subsequent years, so many crores. But planned economy does not mean anything to me; it begins and ends with the Finance Member who schemes out that plan on paper, and such paper plans end without any tangible shape. The idea of planned economy will not worry our minds as long as the Government think of doing something actually for the economic recovery of the people.

Let me next deal with the problem of revision of the customs tariff. The taxation policy of the Government is, no doubt, intimately connected with the customs tariff revision. With the balance of export trade so little in favour of India, with imports falling off year to year, the Government of India have no alternative but to think of the high customs tariff.

[Mr. B. Das.]

It may be that the Finance Member may receive pressure, either from the Indian commercial side, or from the British commercial side, to reduce the customs tariff, but it is very difficult to reduce customs tariff, and last year, when Mr. Hardy spoke on the subject, he dealt with it in some detail, how the customs tariff has varied from year to year. The Government needs have gone up very high and they have to put up heavier tariffs. But we cannot reduce the customs tariff, whether it is on exports or on imports, unless we point out to Government that there are other methods of taxation. With the present high level of income-tax, we know that there is a diminishing return, and though the Government may go on increasing the rate of income-tax, they will not get more; it will be stationary somewhere between Rs. 16 and 17 crores. Of course, the excise duty has come to stay. My Honourable friend, Seth Haji Abdoola Haroon, may growl, but there it is and it will be a general feature of our taxation. There is at present excise duty on salt, sugar, matches, steel ingots, wines and spirits, also kerosene and petrol. A scientific method of devising excise duties is what this House has always demanded. This House has asked for equalising the excise duty on kerosene with the import duty on kerosene, but there is the political hitch. My Honourable friends, the Members of the European Group, will not agree that excise duty on kerosene and petrol should be equalised with the import duty on those articles. Then, there is the political pressure which is being applied on the Finance Member. There is the problem of Burma separation—he may not talk of it today, but there is that question, and Burma must be given a subsidy or a bounty—I cannot say a subvention,—of Rs. 1½ crores or so at India's cost, and, therefore, the excise duty cannot be equalised with the import duty. The tariff on exports, I submit should be so planned as to help the Indian industries. Last year, Government abolished the export duty on hides. This year they are abolishing the export duty on skins, and yet the Honourable the Commerce Member has been receiving representations, and also it has been expressed on the floor of the House, about granting protection to the tanning industry in India. It is no use levying or abolishing an export duty, if the scheme of export tariff is not a scientific one and is not designed to develop the industries of India. I am opposed to the abolition of the tariff on skins. It is very difficult for anybody in fifteen minutes or even in an hour to detail the exact nature of a scientific system of taxation. Although the predecessor of the present Finance Member foreshadowed that the time had come when the taxation policy of the Government of India should be revised or rather planned out, I want to warn my Honourable friend not to do it, simply because he receives pressure from this side or that side of the House. That means that he will be only tinkering with it. So long as the Government of India continue their present heavy military burden and have to provide Rs. 45 crores for the military expenditure . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already exceeded his time.

Mr. B. Das: Sir, one minute more, and I have done. As long as they connect the rupee to sterling, as a result of which the economic conditions of the Indian masses have become impoverished due to low prices of Indian produces, and as long as there is this flight of gold to England to the tune of more than Rs. 200 crores worth,—unless Government face all

the problems—delinking the rupee with the sterling and reducing the heavy military expenditure, no financier, unless he is an imaginative Finance Member and expects to go to jail after he retires from this House or while he is in this House, can think of a scientific planning of the taxation policy of India.

Mr. J. A. Milligan (Bengal: European): Sir, I rise to support the motion. Like the Honourable the Mover I do so not in a spirit of censure or with a desire that the Honourable the Finance Member should spend sleepless nights wondering how to make good a further deprecation; but in order to mention a particular line of action which I believe to be worthy of the consideration of the Government of India and of this House.

The great economists of the 19th century enunciated and expounded the laws of supply and demand in a world where free trade was a practical possibility. Even at the end of the century, we find men like Professor Marshall demonstrating, in a convincing if somewhat tedious manner, the inevitable ultimate equation of demand and supply by normal natural processes.

They did not foresee the paradox which the regime of *laissez-faire*, to which they gave their blessing, was destined to evolve for us—a world impoverished by its colossal wealth.

The elimination of man-power from production; the industrialisation of the whole world—accompanied by the subordination of economic precepts to the spirit of nationalism and to the lure of industrial self-sufficiency—these were things undreamt of in the philosophy of Adam Smith. But they are facts that face us today. The profound depression of the past few years has given mankind the leisure and the incentive to think seriously; and concerted action has definitely begun.

Four lines of thought have chiefly engaged attention and have determined the character of the measures taken in different countries to solve the problems they define, namely;

- (1) Technological unemployment, or the displacement of men by machines without the provision of alternative employment.

When Adam was driven from the Garden of Eden and harnessed to the task of keeping a wife and family, the handicap was imposed on him, and on all his descendants, "in the sweat of the face shalt thou eat bread"—or in modern economic phraseology "A man's contribution to 'supply' is the measure of his legitimate 'demand'." The most vital urgent duty of the world today is the restoration of earning-power to the growing hordes of the unemployed.

- (2) "Over-production" and its counterpart "under-consumption".
- (3) The dangers of uncontrolled individualism in the handling of capital.
- (4) Predatory competition inspired by the ethics of war.

The problems which I have described are being tackled in different ways by different countries. Russia, Japan, the United States of America, Italy, Great Britain are conspicuous examples of concerted and constructive action. Though the methods adopted in these countries differ widely both in kind and in degree, there is one principle common to them all and

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that is the recognition that the regime of *laissez-faire* and uncontrolled individualism has got to be modified if the world is to achieve true economic recovery. We see three principal devices being tried—national economic conscription, compulsory regulation on lines prescribed by the State, and State-aided self-regulation. It is this third method that I desire to advocate as the one best suited to the psychology of India and the Empire as a whole.

The development of world communications of all kinds and the steady, though still far from adequate, improvement of the machinery of distribution, have brought into prominence the factor of "world-prices" for all general commodities. The existence of "world-prices" enhances the difficulty of achieving national self-sufficiency, and contributes to the permanence of the complicated system of tariffs and quotas so abhorrent to the orthodox economist.

If economic order is ever to be restored out of the present chaos, it will be by a policy of regulation intelligently and rationally pursued.

The world is beginning to envisage the possibility of an industrial system no longer based on competitive and ruthless individualism, but composed of regulated units prevented by Governmental control on the one hand from ever assuming the character of monopolistic corporations, and protected by legislation on the other hand from the disruptive action of recalcitrant and selfish minorities. In such a system the vast problems which have baffled the world under the regime of *laissez-faire* will be capable of satisfactory solution. Such a system cannot come into being with the dramatic suddenness of a Russian 5 years plan. It must be steadily built up, industry by industry, until its potentialities for good are sufficiently manifested to establish it on a footing outside the category of experiment.

Countries like Russia, the U. S. A., and Japan regard it as the business of Government to undertake wholesale economic planning for the benefit of the people. The alternative which I advocate is for Government to give its aid and its co-operation to the people in their economic planning for themselves, until such time, if such a time ever comes, when a compulsory extension of the process is clearly justified. It is right that the Government of every country should watch and study carefully what other countries are doing, but no country can afford to dig itself in and wait for a victory to be won on some other front. If India is not ready to deliver a smashing frontal attack like the N. R. A. of America, it can at least adopt the tactics of Marshall Joffre in 1915 and keep nibbling at the problem that is entrenched so powerfully against us. The attack will be strengthened and advance facilitated by the adoption of the practical suggestions made by the Mover; in particular by such rearrangement as will permit of proposals being submitted to Government through one department and not, as sometimes happens, in a piecemeal manner through two or three.

To every industry that comes forward with a practical scheme of self-regulation asking the Government and the Legislature to give it legal sanction, and to define the rules of the game for the protection of individual interests, I contend that such assistance should be given with sympathetic alacrity. In this way, steady progress will be made in the true rationalization of industry, and India will play a valuable part in the

search for a solution of the world's great problems. India cannot sit still and hope to be presented from outside with a ready-made remedy to which it has made little or no contribution.

Sir, I support the motion.

Dr. Ziauddin Ahmad: Before I come to the subject proper, I just like to be permitted to say one thing. At every stage of my life, I learnt new formulæ. While I was at school, I was told that I should repeat these districts of the Madras Presidency at one breath, which I did, and, on one occasion, I scored 99 per cent. marks for repeating Ganjam, Vizagapatam, Krishna, Godavari, Kurnool, Belari, Cudapah, Nellore, South Arcot, Tanjore, Madura, Tinnevely, Salempur, Coimbatore, South Coast Annantapur, Nigiri, Malabar, Chingleput, City of Madras, North Arcot, Trichinopoly. When I came to college, I learnt new formulæ in the college such as:

$$S_n(u+v) = \frac{sn u on v dn v + sn v on u dn u}{1 - k^2 sn^2 u sn^2 v}, \text{ etc.}$$

When I came to the Assembly, I learnt another formula, and I have heard it so often that I have learnt it by heart. I ask my friend, Mr. Satyarnurti, to verify it. He must have learnt it also by heart, and that is "Wait and see". Wait we must, but see we never, and I hope that this particular motion will not be governed by the spirit of the formula to which we are accustomed and which is a new formula I have learnt since I came to the Assembly.

Now, Sir, I just feel that we are now on the eve of a very difficult problem as regards taxation. We have to pay in the neighbourhood of 70 crores every year to the United Kingdom on account of our commitments and remittances; we are a debtor country, and it is not possible for us to dictate to the whole world the policy of taxation. Now, if we adopt the present policy, I am afraid we will come to the conclusion that every country would like us to balance our trade separately, so that we will have no favourable balance of trade with any country, and we cannot possibly pay to the United Kingdom the seventy crores of rupees. Unless we revise the whole policy and bring it on the line with the rest of the world, and have a balance of trade at least to the extent of seventy crores, we will be in a very difficult financial position; and the result will only be the export of gold by means of which alone we can keep up our balance of trade. It is evident that it cannot possibly continue for a long time. You may keep it up for a few years, but not permanently; unless we have a good balance of trade and we revise our entire policy, it is not possible.

Before I come to the specific points raised by the previous speakers, I would just mention one or two points more,—that is, our tariff is now becoming so minute that it really baffles any person who thinks about it. Now, I have got this voluminous book in my hand (Tariff Act), but I can never find out what I want unless I read the whole of it. Sir, this Tariff Act is a very complicated document. Slight variation in silk and cotton gives an additional item in the Tariff Act, a new design of any commodity has an additional place in the Tariff Act. Discovery of new variation leads to the addition of new form of Tariff. Tariff has become so complicated that I am reminded of the story of Prince Alfonso, who, when explained the movement of the solar system, said that he could have devised a simpler system had his opinion been obtained. Whenever there was any difficulty in finding out the correct position of any particular planet, one more circle was added in the name of epicycles and then the circles became so many

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that he said: "Well, the solar system would have been designed in a simpler manner". So I think this Tariff Act, which is now in my hand, would have been very much simplified. It should not go into so many details, and I hope the Finance Member, when he gets time, will look into the matter and will give us some simple tariff for this country—a tariff in which numbers are expressed in terrestrial figures and not in astronomical figures—I am using the phrase of my Honourable friend Sir Frank Noyce.

The next thing I would like to point out is that we made a kind of unscientific mistake in 1931 in raising all duties by 25 per cent. This was a great mistake and very unscientific. We never cared to see what particular commodities could or could not stand those duties, but we raised the whole thing by 25 per cent. and I think the time has now come when we should go thoroughly into the whole question and come to some definite conclusion. I never advocate that we should reduce these duties by 25 per cent. all at once. At the same time, we ought to study the effect carefully and come to some definite conclusion.

Now, the most objectionable feature, to my mind, is what is called our policy of protection, which we have been pursuing during the last two or three years and which is chiefly responsible for the troubles that we now have to face. Now, this policy is ruinous to the agriculturists of this country and it is ruinous in two ways. By this policy of protection you have tried to raise the price level of manufactured articles. Now, we know that the price level of all articles is constant. Therefore, the price-level of all agricultural products must necessarily diminish if the value of one part has risen; and the fall in the price of agricultural products is ruinous, as it would diminish the purchasing power of agriculturists. The second reason why it is ruinous is that we are now building up a special tariff wall against all these countries. They are retaliating. There is some movement in Germany, in Italy and in other countries. Each country is endeavouring to equalise import and export with us. This means that the export of our agricultural products to those countries may possibly diminish and that is the great danger. Therefore, this is the problem of all our problems—namely, how we should raise the purchasing power of our agriculturists, and unless that is done, I say, Sir, that the economic problem cannot be solved.

Sir, coming now to some of the points that have been touched by the previous speakers, I would just mention that there is an absolute necessity of having a tariff tribunal in the sense in which the word was defined by Mr. James. Our present Rates Advisory Committee is practically no committee at all. It dealt only with four cases last year, according to the Administration Report, at enormous expenditure. What we do require is a kind of Rates Tribunal which should function in the same way as the Rates Tribunal created by the British Railway Act of 1921. The second thing is about the change of portfolio. There is one thing which I feel is a little difficult. In theory, it is all right that we should have a portfolio of Communications. I myself was for it. But so far as this country is concerned, we see that the roads are a transferred subject and the Government of India have nothing to do with roads. As regards railways, more than half are administered by private companies and less than half are administered by the State, and, therefore, a combined portfolio of Communications, to my mind, has not the same force in India unless we modify our Constitution. I quite see that there is not sufficient co-ordination among portfolios under

different Members of the Executive Council, but the creation of a Minister of Communications in the existing circumstances and immediately is quite unnecessary and uncalled for. We should wait till Ministers are appointed at the Centre or at least till Provincial Autonomy is introduced. One Honourable Member raised some objection about the work of the Law Member, and I think the same will be the case with the Minister of Communications when the roads are transferred to the provinces, when the administration of railways is transferred to the Statutory Authority and a half of the railways are administered by the private companies. Therefore, this thing would require very great consideration, and, I think, we had better continue under the existing arrangements till the time we consider the entire problem. I am opposed to piecemeal reshuffling.

My friend, Mr. B. Das, talked about the question of the export duty on skins. Sir, if there is one sensible proposal in the Finance Bill, it is the abolition of the export duty on skins, but I will take up this question when I come to the Finance Bill.

There is one point to which I think we ought to pay some more attention than we have done up to the present and which will arise out of the economic survey which my Honourable friend, Mr. James, emphasised to-day and that is that we ought to find out some ratio of the actual selling prices at which consumers have to purchase goods to the prices at which the articles in question are actually imported or produced in this country. Taking the case of wheat, we should know at what price the cultivators sell their wheat, at what price it is purchased in Delhi or any other big town, and then we will calculate the amount of profit which the middlemen are getting and find out some solution for avoiding the middleman's profit or reducing it to a minimum. I have got no concrete facts to stand upon, but from the scanty inquiry I made, I think the middleman's profit comes to about two hundred per cent. or more. (Hear, hear.) Some inquiry is called for, not only about the articles which we produce in this country, but also as regards the articles which we import from outside. If this thing is done, it will be a great step forward in economic planning.

Now, there is one point more which I take this opportunity to press and that is that the Commerce Department should have some kind of advisory committee of merchants. Members after Members emphasised the fact, in connection with the Indo-British Trade Agreement, and supported also by telegrams coming from all over the country, that the merchants of India were not consulted. Whether that is true or not, I have no means to verify, but what I wish to emphasise is that such complaints would not have been made, had some kind of advisory committee of merchants existed which the Commerce Department could consult. It is not a new proposal. Such advisory committees exist in every country. The Commerce Department is not an all-wise department. It must have some kind of expert advisers whose advice they may or may not accept.

Before I sit down, I would like to emphasise once more that the time has come when we ought to revise our policy of taxation and make it more scientific and more economic in conformity with what existed before the War. Before the War, we were in a very happy position. We were practically free traders. We had a very nominal revenue duty of five to ten per cent. At that time, we had 80 crores of a favourable balance of trade. We paid all our dues, and, at the same time, we had sufficient money.

Prof. N. G. Ranga (Guntur *cum* Nellore: Non-Muhammadan Rural): Sir, I thank you very much for having given me this opportunity of saying a few words just before the discussion on the budget is over. Sir, I rise to support this cut motion for this purpose, that if there were to be an Economic Advisory Council in this country and there must be one and if there were to be a Minister or a Member of the Council for Communications, as there must be, then I would like that every one of the Members of that Advisory Council as well as the Member for Communications should be Indians. If, on the other hand, English people, any foreign expert, any foreigner is expected to be brought over to this country in order to dole out advice to us, then I am not at all in favour of this cut motion, and, I am sure, Honourable Members on this side of the House will not be in favour of this cut motion.

For a very long time, there has been a talk of planned economy in this country. The predecessor of our present Finance Member was very often talking of planned economy and on more than one occasion he assured this House that he was going to take necessary steps to see that a regular staff was appointed in this Government of India for carrying on statistical enquiries. As long ago as 1930, he assured the House that he was going to set apart 2½ lakhs in order to bring some expert from Europe to give us the kind of advice which he thought that we were in need of. As far as economic enquiries go in this country, we have had a number of experts. There was Dr. Slater, there was Dr. Mann, there was myself in Southern India and many other competent men, and all these people have been carrying on economic investigations in villages and in towns of the economic conditions of agricultural labourers, cottage workers as well as those in slum areas. Yet the Government of India did not care to take notice of any of these enquirers or inquiries made by them, but they preferred to bring two great experts, one from the City of London and the other from the City of Cambridge. They were expected to be assisted and helped by some economists of this country. Instead of wasting lakhs of rupees on those great economists of foreign countries, the Government would have done well if they had only consulted our own Professors in this country who had great experience in this country and who would have been very glad to serve this Government, not on any pay, but freely and without any remuneration. This morning, the Honourable Sir Frank Noyce was questioning the authority of Sir M. Visveswaraia. I may point out to the Honourable Member for Industries and Labour that he is neither a labourer nor an economist, and, therefore, I can really understand his hesitation in accepting the suggestion as well as the estimates of unemployment in this country by such a distinguished and eminent an economist as Sir M. Visveswaraia. I may remind the Honourable Member for Industries and Labour that Sir M. Visveswaraia was appointed by the Government of India as President of the Economic Enquiry Committee which toured the whole country and submitted a report to the Government of India.

The Honourable Sir Frank Noyce: I was not disputing Sir Visveswaraia's authority except in regard to one particular point, the number of unemployed people in this country, and I stated that, in regard to that particular point, he gave no authority whatever for his figures, and that, therefore, I and the Members of this House generally were as competent judges in this matter as he was.

Prof. N. G. Ranga: In view of the fact that Sir M. Visveswaraiya has been accepted by most of the people who know anything at all about economics in this country as a sound and reliable authority on that subject, I expect the Honourable Member for Industries and Labour to accept the statement of the estimate of unemployed made by him, generally, as long as he is not able to prove to the contrary. He has made that estimate. He is not an irresponsible person, he is not an ignorant person. Everybody knows what his previous history has been, how distinguished a position he has held in planned economy as well as in the industrial development of this country, and when such a gentleman comes forward and makes an estimate, that should be accepted without question. I know why the Honourable Sir Frank Noyce has hesitation to accept that suggestion. If the same estimate has been made by a second rate or a third rate or even a tenth rate British economist, I am sure, he would have no hesitation in accepting the same.

I come now to the question of unemployment. When we were discussing the question of unemployment insurance in this country, we thought we had no statistics of the unemployed in this country. My Honourable friend, Mr. Giri, has pointed out that there are nearly 40 millions of people who are unemployed completely or partially. Yet the Honourable Sir Frank Noyce was not prepared to accept that estimate. I submit that if we go on disputing one another's estimate in this House in the way we are doing, we cannot do anything really good for the country. That only proves that there is very great need for really a very competent Economic Advisory Council to be established in this country. That Economic Advisory Council should be constituted with independent Professors who have had practical experience of village, industrial and slum life and experiences of workers and peasants, and we do not want for the Economic Advisory Council Professors straight from Universities who are kept there merely as a memento or a curio in the Hamburg museum and who are being paid fat salaries merely to play to the tune of all that is being doled out here by the Commerce Member or the Finance Member or the Member for Industries and Labour or all the other Members who form the Executive Council.

Next I come to the question of agricultural indebtedness. The Honourable Member for Industries and Labour would perhaps be the first person to wonder whether really such a great problem as the agricultural indebtedness exists for the whole of India. I hope he will not dispute the fact that there is chronic agricultural indebtedness in this country under which the peasants have been groaning for several years past. This growing burden of indebtedness has become intolerable for the peasants. Ever since 1959, when there were riots in the Deccan of the Mahratta country, Commission after Commission have reported on the imperative necessity of tackling this problem of agricultural indebtedness. For years and years, again and again suggestions were made by responsible Government officials on the floor of the House that Central Legislation should be undertaken in order to solve this problem. Sir Basil Blackett came forward with the suggestion that there should be a Banking Enquiry Committee. It was appointed with a number of provincial branch committees with the idea of gathering information in order to enable the Government of India to find a proper method of solving this particular problem of agricultural indebtedness. But everybody now is pretending his ignorance even today about the agricultural indebtedness and about unemployment and about slum life, and the problem is growing worse and worse every day. The Government are continuing in this blissful ignorance, and if anybody attempts to solve the problem, there

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is no response from the Government. The Government are inimical to any attempts made to solve the problem. The Banking Inquiry Committee came forward with its own suggestions and suggested that an all-India legislation should be undertaken and they said that, wherever possible, Conciliation Boards should be established, and, wherever possible, Economic Enquiry Committees should be established and Economic Boards should be established and that these Boards should gather the necessary information about the actual burden of agricultural indebtedness and the cause for the growth of agricultural indebtedness and also the manner in which that trouble of indebtedness could be solved. But no central attempt has so far been made to solve this problem. But what is it that has been done? The Government of the Punjab propose to spend only one lakh of rupees on rural reconstruction out of which a large proportion is to be swallowed up by highly paid officers; and the Government of the Central Provinces is very glad that it has been able to get only Rs. 17,000 per annum for the next three years from the Central Government in order to help the handloom weaving industry. Then, again, the Government of Madras have appointed an Economic Inquiry Committee with many of its own officers on it as members and that Committee has suggested that the export duty on skins should be increased. And yet the Finance Member comes forward with this very wonderful and novel suggestion and a very original suggestion that the export duty on skins should be abolished altogether. Sir, as somebody said, and it is a well-known phrase, we asked for bread in the shape of the lowering of the revenue duties, and lowering of the burden on the agriculturists by decreasing the amount of revenue that Government are deriving from customs and salt. And what is it he gives? He gives this stone in the form of abolition of the export duty on skins. I do not know if he is conscious about it, but anyhow I can warn him that the only effect of this will be the improvement of the tanning industry in other countries to the detriment of our own industry here.

Next, I come to the question of the national income. Sir George Schuster has suggested,—now that happily he has laid down the reins of office here and is free to suggest anything,—that the standard of living of the masses should be increased. How is it to be increased? How can it be done? It can be done only if the Government of India come to have an idea of the present national *per capita* income, the present standard of living of our people, the manner in which our people are spending their money and also how the people are suffering from poverty, and so on. But they have not got that information. And that is why, when my Honourable friend, Pandit Govind Ballabh Pant, suggested that this Government should undertake a national reconstruction programme of 100 crores, the Finance Member simply turned it down. He seems to have had the impression that my Honourable friend, Pandit Pant, seems to be roving in a sort of dream. But I may assure the Honourable the Finance Member that he need not be afraid of going to jail. If going to jail is necessary at all, I can offer to go to jail on his behalf in order to save this country. Now, Sir, a hundred crores is not a very big sum; it will not be more than £10 million, and the Government in England has been spending more than that on the relief of unemployment.

The Honourable Sir James Grigg: A hundred crores is 75 million pounds.

Prof. N. G. Ranga: I can anyhow assure my Honourable friend,—and I am sure he cannot contradict me in that,—that the Government in England

has been spending more than 75 million pounds per annum since 1911 on their social services. On the other hand, what is this Central Government doing? The Central Government, whose finances my Honourable friend is so proud of administering and presenting his budget upon, and who is so thoroughly satisfied that his budget has received welcome from every side of the House,—what does he propose to do? He proposes a reduction of 99 lakhs in the expenditure

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is digressing, and besides, his time is up.

Prof. N. G. Ranga: He suggests a reduction of 99 lakhs in this year when compared to the expenditure that was incurred about ten years ago on nation-building services, that is, the Department of Education, Health and several other Departments.

Another thing to which I wish to draw the attention of my Honourable friends is this. The other day, my Honourable friend, Mr. Mody, was asking the Finance Member to be rather hesitant in thinking of lowering the revenue duties, because the revenue duties have given some sort of protection to some of the industries, and unless those industries are given a fair warning and unless they are enabled to stand on their own legs independently, he should not lower the revenue duties. In trying to accept that particular suggestion, I would request the Finance Member to keep in mind also the needs and the interests of the agriculturists and the workers, that is, the consumers. Revenue duties were raised for revenue alone.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is absolutely wide of the mark. He is not addressing himself to the motion before the House.

Prof. N. G. Ranga: Sir, there should be a planned economy and there should be a Member for Communications. This particular suggestion was made as long ago as 1921 or 1922 when the Ackworth Committee made their recommendations that there should be a special Minister as a separate Minister for Communications. And yet till today that suggestion has not been accepted at all by the Government of India. Now, we have only an Honourable Member for Railways and not for Communications. You may wonder why I want a special Member for Communications. I want to end this ruinous and suicidal competition between the railways and the roads; and, in order at present to better the interests of the railways, the Government of India as well as the Provincial Governments seem to me to be busy in trying to thwart the development and the progress of the roads in India. Even such a die-hard and anti-national paper as the *Madras Mail* of Madras was suggesting the other day that the Government of India would do well to have a separate Department for Communications and to construct bridges over the Godavari and over the Krishna in order to have a through road from Madras to Calcutta. Yet I do not know what the Government of India are going to do. Again, there is another suggestion

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has really exceeded his time limit.

Prof. N. G. Ranga: At question time, the Honourable the Commerce Member said to me that he found no difference at all between the report

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that is submitted to the Government of India by their Trade Commissioner in London and the report which the Trade Commissioner of Great Britain stationed in this country sends to his Government. And yet if he will only take the trouble again to consult those reports, he will find that the report submitted to the Government in England is very much better, far superior, to the report that we are having from our own Trade Commissioner. It is in those lines that improvement lies and we want more and more statistics and we want more and more enlightenment. But the Government Members declare their ignorance about every real problem, and they prefer to be ignorant, because to have a knowledge of real state of things may not be convenient to this Government or the Britishers. To possess knowledge is, I fear, considered by Government to be dangerous. And for this we have a very good example in Russia. Russia had her revolution, but, three years after the conclusion of the civil war they had their new economic policy. One year or two years after that, they had their five years budget policy. Similarly, I wish to suggest for the consideration of the Finance Member that at least next year when he is going to present another budget,—luckily for him and luckily for the Government of India he is going to be here for another four years,—let him take that tip from Russia of a five-year plan for his budget proposals. He also wants to give only one crore of rupees for the villages. Because Mahatma Gandhi has collected five lakhs for the uplift of the harijans and he is raising more funds for the uplift of the villages, therefore, they want to fight Mahatma Gandhi and his Village Industries Association. Instead of doing that, instead of simply throwing away this crore of rupees on Aman Sabhas, loyalists and highly paid officers, and so on, I beg to suggest that he should accept the suggestion of my Honourable friend, Pandit Govind Ballabh Pant, and he should raise a loan of 100 crores in this country, and it is not a novel suggestion. Because, in America, President Roosevelt is busy today in raising a huge loan of three billion dollars in order to finance a social and national economic reconstruction policy.

Mr. President (The Honourable Sir Abdur Rahim): The Chair would ask the Honourable Member now to conclude. It is not fair to other Honourable Members that he should occupy so much more than the allotted time.

Prof. N. G. Ranga: Therefore, Sir, to conclude, I request the Finance Member to accept the suggestion of my Honourable friend, Pandit Govind Ballabh Pant, to raise a crore of rupees on rupee loan in order to carry on and develop a rural national reconstruction policy in this country, in order to help the villagers of this country in a real manner, and not for the benefit of the British officers and British capitalists, not for the benefit of a few highly paid officers, but for the benefit of the masses of this country.

The Honourable Sir James Grigg: Sir, most of the discussion this afternoon, or at any rate a good part of it, has had nothing to do with the motion moved by my Honourable friend, Mr. James. In spite of risking the wrath of Mr. Ram Narayan Singh, I do not intend to make any general answers to these digressions except in so far as it may be required to touch upon them for the purpose of Mr. James' motion. But perhaps there are two points I ought to mention at the outset. The first is in order to make the position of the Government abundantly clear, if it is not

already clear. Mr. B. Das, as I understood him, said that his plan for curing the economic evils of the country was to abandon the present ratio, to devalue the rupee. I entirely disagree with him, and, as far as I am concerned, the policy of the Government of India is to make no change in the ratio and will continue to be so. I should like to make that absolutely clear.

Professor Ranga had two cures for poverty, one of which he borrowed from Pandit Govind Ballabh Pant and the other was his own. His own cure was more and better statistics, and he said in fact that you cannot cure poverty until you know the income of every one of the 280 millions of people in British India. I do not think much of that cure. His other cure which is really Pandit Pant's was that we should borrow, not Rs. 100 crores, but Rs. 100 crores a year, and that I hope to be in a position to deal with when I move that the Finance Bill be taken into consideration on Wednesday. It requires more than a casual reference in a debate on a cut motion.

Mr. James has raised a discussion which for the most part is of a character which does not often find a place in our debates: that is the question of the actual administrative machinery of the Central Government. It is quite true that his remarks were directed primarily to the economic activities of Government, but a large part of them at any rate had some application in spheres other than the purely economic, and I think were intended to have application in spheres other than the purely economic. Of course, the question of administration is at all times a very important one and now when we are on the eve of big Constitutional changes, administration assumes a special importance, for, as was clearly pointed out by Mr. James, in fairness to its successors in title, the present Government of India must leave in existence a machine which is not only the best which can be devised, but which is also capable of being adapted readily and smoothly to the new regime which is about to be born.

With these preliminary remarks, I should come at once to the substance of Mr. James' speech; but in view of some references in later speeches and one or two of his own casual references, perhaps 4 P.M. I might digress and say a few words about the widely prevalent idea that in these times it is necessary for Governments to resort to economic planning—and this phrase has become almost as blessed as Mesopotamia. I personally was very glad that Mr. James disclaimed his belief in this gospel. On the other hand, another Member of his Party seemed to me to be the most complete economic planner I have ever heard of since Stalin; and let me say at once that I am not a devotee; I am a sceptic: I find it hard to believe in this new fashionable gospel; and when I look round the world at the results of economic planning, I am not in the least tempted to become a disciple. The old-fashioned economics to which Mr. Milligan referred in terms of unutterable contempt proceeded on the assumption that the purpose of production was to supply the wants of the consumer at a price which he can afford to pay, and not a bad idea either. The new economics presupposes that some all-wise authority decides what the producers are to produce and in what quantities and that the consumer must take what he can get and pay for it whatever an all-wise government or other authority decides as a fair price, if he can: if he cannot, so much the worse for the plan. This seems to me nothing more or less than national socialism, and I fancy that if some of those who talk so glibly about economic planning realise the inevitable end of it, they would be very quick to find some new shiboleth.

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Incidentally I am very interested to know that Mr. Das' mind has clearly recognised this ultimate truth, that planning and socialism are the same thing. Mr. Milligan evidently also has faced this problem and he does not mind: he wants socialism, but not in our time: in our time, let the Government guarantee the private producer his profit: if the Government will only guarantee the profit to the private producer and assist him in every way to squeeze the consumer, all will be well: after that, socialism.

And when you have got your socialistic plan or plan for national socialism, surely it is subject to all the reactions and injuries from the national socialisms of other countries: you are not a free agent and in the end you simply get absolute chaos, and that I believe is the inevitable result of economic planning. My friend, Dr. Ziauddin Ahmad, gave a particularly fatuous instance of economic planning which has also become highly fashionable in the world, that irrespective of their balances on capital account, each pair of countries must have an exactly balanced interchange of trade. That is world economic planning. But though I have digressed in this way to say a few words about economic planning, I should, I think, clearly say that though I am not a believer in it, that is not to say, to come back in a somewhat roundabout fashion to Mr. James' motion, that I do not believe that an efficient administrative machine is not a vital necessity or that a country should not have adequate means of studying and considering its economic needs, and it is from that point of view that I shall approach the motion of the European Group.

First, let me clear out of the way the only question raised by Mr. James which is a matter of policy rather than one of administration, namely, the revision of the tariff. Incidentally I was very interested to notice, unless I misunderstood him, that Prof. Ranga is also in favour of a revision downwards of the revenue tariff: I wish he would tell that to the Federation of Indian Chambers of Commerce

Prof. N. G. Ranga: I am prepared to, if they invite me.

The Honourable Sir James Grigg: I am very glad to hear that. On this general question of the revision of the tariff, I made some few remarks in my winding-up speech in the general budget debate, and I am afraid that I am not at present in a position to add very much to that. As I said, it is very difficult to introduce a scientific revision of the revenue tariff until there is money to spare: for even though in the present tariff there may be cases where diminishing returns have set in and where a reduction in those particular cases would yield an increase of revenue, I think it does remain true over the whole field that a greater measure of uniformity can only be achieved after a general downward movement or at any rate a downward movement on balance; and that is why I say that the question cannot assume any very practical importance until there is money to spare. However, I may assure the House that in the meantime we shall press on with the departmental examination and collection of material, which is, of course, a necessary preliminary to the reconstruction of any revenue tariff. Mr. James wants me in the meantime to promise a definite inquiry. But I should prefer to keep an open mind on the subject till the preliminary work has been performed and until the question assumes a slightly more immediate practical importance. In the meantime, I should like, if I may, without offence, to give a word of warning. An inquiry consisting of repre-

representatives of all the interests concerned would obviously be quite unwieldy, and it would moreover be quite certain to result in a very limited measure of agreement, if any. Clearly we cannot, therefore, have any inquiry which is not impartial, and I am not sure that the agency most likely to produce or undertake an impartial inquiry in a matter of this sort is not the Government itself to whom alone in any case it would fall to take into account the revenue considerations involved.

Next we come to the question of the Tariff Board. Here Mr. James wants more freedom from Government control and more flexibility. His idea was, I think, that the Tariff Board should be made permanent, and that it, and not the Government, should be charged with the responsibility of deciding whether there is or is not a *prima facie* case for protection. I am bound to say I do not very much like this idea, because it seems to me to be approaching the point where you are setting up two Kings in our constitutional Brentford. The ultimate responsibility, as Mr. James definitely said, rests with the Government, and there can be no escape from that responsibility, but in my view just as the ultimate responsibility rests with the Government, so should the initiative in matters of taxation rest with the Government, and, therefore, I personally think that the present arrangements are better than those which Mr. James suggests. A clear demarcation of the respective spheres of the Tariff Board and the Government, I think, is a matter of great constitutional importance, and do not let us forget that whenever permanent Tariff Boards have been set up, either one of two things almost invariably happens. The first alternative is that the Government becomes a mere gramophone record voicing the Tariff Board's decisions or else the Government finds itself in the position of continually having to resist encroachments on its own domain. Apart from this constitutional question, which is the one which most appeals to me, I am assured by my Honourable colleague, the Commerce Member, that Mr. James's plan of cutting out the *prima facie* stage of the case would not result in any diminution along the inquiry, but, on the other hand, it would lead to overloading the Tariff Board with unnecessary work and in prolonging the general work of the Board.

The next point Mr. James raised was the question of portfolios, and the crux of this was the amalgamation of all communications under one portfolio. He did suggest certain complementary changes, but they clearly hang on to that one main change. This suggestion was virtually accepted by my predecessor a year ago. On that occasion, my friend, Dr. Ziauddin, strongly supported it, but something has happened to make him change his mind in the meantime

Dr. Ziauddin Ahmad: The Government of India Bill.

The Honourable Sir James Grigg: Mr. Das reminded us of Sir George Schuster's acceptance, and I think indicated his approval of it. Since then the principle has been quite definitely and publicly accepted by the Government of India, and of course, I confirm that acceptance today. Sir George Schuster indicated that the most convenient or the most natural occasion for carrying a change like this into effect would be the occasion of a change in the occupancy of the post of Commerce Member. That occasion, Sir, will shortly arise with the departure of Sir Joseph Bore, and Mr. Das expressed the hope that the change would be made on that

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occasion. Naturally, Sir, the Government have considered whether it can be made on this particular occasion, but unfortunately it has been found to raise certain questions which it has been impossible to arrange before the middle of next month which is the term of the present incumbent's office and the consideration of these has meant some little delay, but the principle is there, and Government have accepted it, and we hope, moreover, that it may be possible to put the new arrangements into operation before the end of the current calendar year.

Then, Sir, Mr. James raised some point about an Overseas Department, but, as far as I could make out, what he proposed would boil down to some re-arrangement inside the Commerce Department, and, I am afraid, that, as I am imperfectly acquainted with the arrangements inside the Commerce Department, I am not qualified to express an opinion on that suggestion, but what does seem to me in that matter is, if the work is done with the present organisation and is being satisfactorily done,—and I have not yet heard any suggestion that it is not,—it does not seem to me to matter much by what particular name you call the rose.

Then, Mr. James went on to press for the setting up of some machinery to co-ordinate the various activities of the Government and to secure that the various Departments operate consistently with a definite policy and not as disparate, competing and sometimes contradictory units. I personally would like to say that I am strongly in favour of some such machinery, and I can assure the House that the question of setting it up is under the active consideration of the Government of India. Indeed, I think it can safely be said that our examination has reached an advanced stage, and I hope that our consideration will issue in positive action within a very short time. Beyond that, Sir, I cannot go at present, except to point out, as my predecessor did a year ago, that the Economic Sub-Committee of Council is at least a beginning with the machinery of co-ordination in the economic sphere.

Next, Sir, we come to the question of an Economic Advisory Staff, and I think this was the peg on which Prof. Ranga hung a considerable oration on the condition of India from the Himalayas to Cape Comorin. There have been in the past two different proposals having the object of affording to the Government of India expert economic assistance. Firstly, there was the recommendation of Sir Arthur Salter for Central and Provincial Economic Councils representative of various interests—a large number of interests,—and intended to study various economic problems by means of *ad hoc* Committees. Like my predecessor I am not at all enamoured of this grandiose and very expensive scheme. In any case, I gather that Mr. James does not wish to press for anything of that kind. Apart from the doubt as to whether the violently conflicting interests which would be represented on such Councils would ever produce a coherent body of recommendations on any subject under the sun, it seems to me that the initiative in matters of policy must remain throughout with Government, and that it is for the Government and not for any Economic Soviet or public meeting to decide what particular subjects they wish to be investigated. If that is so, these Economic Councils merely become a more clumsy and more expensive means of consulting outside interests.

Then, we get the proposal contained in the Bowley-Robertson Report, and, in spite of Mr. James' disavowal of any desire for a "Brain Trust",

I read the Bowley-Robertson Report as a recommendation to the Government of India to set up a "Brain Trust" on a small scale. I do not like this either, because to have a collection of free lance economists would tend to blur the edges of the responsibility of the executive, and partly,—and I think it is even more important,—because I do not see anywhere any considerable body of doctrine on which economists are sufficiently united to provide a safe guide for any Government. The House will remember the saying that wheresoever five economists gather together, there will be six opinions. (Laughter.)

An Honourable Member: Who is the sixth?

The Honourable Sir James Grigg: And, if I may say so, without risk of offence, I think in India economic opinion is so inextricably mixed up with politics that the confusion and variety of opinion would be more than ordinarily bewildering and the six opinions might easily become sixty. But, though I am unwilling to accept either the Salter report or the Bowley-Robertson report in this matter, there is an alternative which, I think, is well worth consideration. I am not sure that the alternative which I have in mind is not also the one which Mr. James has in mind; it is, in fact, based on the plan adopted in the United Kingdom—of appointing an Economic Adviser to the Government of India. In the United Kingdom, the holder of this post is Sir Frederick Lieth-Ross, a man, I was going to say, of worldwide reputation, but in any case, certainly of European and American reputation, and deservedly so. His functions are to perform such executive tasks as are actually entrusted to him by His Majesty's Government, for example, to conduct a particular set of negotiations in accordance with a prescribed general policy, to represent His Majesty's Government at International Conferences, and further to prepare briefs and to collect material for special purposes, such as trade or financial negotiations, or for the use and guidance of Cabinet Committees or of individual Ministers. Apart from a small personal staff, he has no department of his own but works entirely through the existing machinery, and naturally, he works in accordance with the general directions of Government, though, like all civil servants, he has the inalienable right to express his own opinion on all occasions. This plan, I think, is working very well in the United Kingdom, and I think it can quite easily be adopted to suit Indian conditions, and that is why I said that it might be seriously examined.

I have now dealt with all the points raised by my Honourable friend, Mr. James

Mr. H. P. Mody: Very sympathetically! (Laughter.)

An Honourable Member: He is satisfied!

The Honourable Sir James Grigg: and I hope that he and his Group will, at any rate, find in my remarks a clear recognition of the importance of the topics he has raised (Laughter), and a proof that the objects he seeks are being kept prominently in mind, though it is quite possible, as I have made clear, I think, that in some instances Government may ultimately hope to arrive at the same end by a different path. In

[Sir James Grigg.]

these circumstances, I hope that he and his Group will not find it necessary to press this motion to a division. (Cheers.)

Mr. F. E. James: Sir, I only have one or two comments to make. The debate has ranged over a large number of subjects. I am glad that the Honourable the Finance Member has called attention to the fact that Dr. Ziauddin Ahmad has changed his mind. But, after all, in a mind of such astronomical proportions such a little thing as consistency is not noticeable. (Laughter.) As far as my Honourable friend, Mr. Ranga, is concerned, his economics, I fear, consist really of expressions of wishes whose inconsonance with facts is imperfectly realised. The more he will think of that when he goes home the more he will perhaps realise what exactly I mean. I would also observe that economics based upon racial considerations are really of no value at all. I now come to the Finance Member. I should like to thank him very much indeed for the very clear statement of his position. I must admit that the present Finance Member is a great contrast in his speeches to his predecessor, and perhaps it will take us a little time to get accustomed to the new style of utterance. The precise economic view of his predecessor always remained, after some of his most mellifluous speeches, in doubt. The same cannot be said of the present Member. If he wore an old school cap, it would bear the motto, *floriat Snowdonia*. He is an unrepentant freetrader, and it is crystal clear that he is a disciple of Lord Snowden. Only one or two points occur to me. In the first place, I think, he was a little harsh on my friend, Mr. Milligan. No one at first sight would take my Honourable friend, Mr. Milligan, for a socialist. But I can assure the Finance Member, and indeed the House, if they wish it, that Mr. Milligan is not a socialist, although he may look like one. (Laughter.) What, Sir, he was arguing was that as an alternative to the extreme forms of socialism which are being advocated in various quarters, which evidence themselves in the nationalisation of all forms of production and so forth,—as an alternative to that, he was putting forward proposals for a regulation of industries in the interests of the producer and the consumer, a regulation which would have the support of statutory authority subject to statutory control. That is a very different thing from socialism, although perhaps it may be nearer the socialism of Herbert Morrison than the socialism of James Maxton. I would like to assure the Finance Member that we never suggested, certainly we never intended to suggest, that the enquiry in regard to the revision of the customs rates on non-protected articles should be undertaken by a body of outsiders.

The Honourable Sir James Grigg: I am sorry I misunderstood my Honourable friend.

Mr. F. E. James: We recognise that it must be undertaken by the Government, and we are glad that the preliminary enquiries are about to be started. With regard to the Tariff Board, there, again, we did not for one moment suggest that the Tariff Board should be, so to speak, a Government by itself. I went out of my way to emphasise the fact that the Government must remain responsible for the tariff policy and that the Tariff Board must always be an advisory body whose conclusions the Government of the day should be free either to accept or modify or reject.

Then, with regard to the economic staff, as I think the Honourable Member has suggested, our views and his very largely coincide. Perhaps my quotations from the Bowley-Robertson report misled him, but certainly we and our constituents would be the very first to object to any suggestion for the creation of a body which should be either a super council or any form of a brain trust. I think we want something which is very much more modest, something which can affectively co-ordinate the economic activities of the various departments. The Finance Member has, under the circumstances, invited me in a very charming way to be satisfied with what he has said and ask the leave of the House to withdraw my motion. I am happy, after very careful consideration, to be in a position on behalf of my colleagues to ask the leave of the House to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 12th March, 1935.