

17th March, 1923

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(Official Report)

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OF THE

LEGISLATIVE ASSEMBLY, 1923.



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LEGISLATIVE ASSEMBLY.

Saturday, 17th March, 1923.

The Assembly met in the Assembly Chamber at Eleven of the Clock.
Mr. President was in the Chair.

QUESTIONS AND ANSWERS.

RAILWAY SERVICE.

570. ***M. K. Reddi Garu:** 1. (a) With reference to the reply given to starred question No. 466, will Government be pleased to state the definition of " Railway Service " ?

(b) Do the staff employed on ordinary Secretariat work in the Railway Department and the Office of the Accountant General, Railways, fall under the category of " Railway Service " ?

(c) Is there any difference in the condition of service between the Ministerial Staff of the Railway Department and other departments of the Government of India? If so, what are the differences?

(d) Is it not a fact that for the matter of pay, allowances and conditions of service the staff of all Departments of the Government of India Secretariat are considered as a homogeneous body? If so, how is it that the staff of the Railway Department are treated differently?

2. Will the Chief Commissioner of Railways be pleased to lay on the table a copy of the orders of the Government of India declaring the service of the Ministerial Staff of the Railway Department as " Railway Service " quite distinct from " Secretariat Service " ?

3. Is the Office of the Accountant General, Railways, a part of the Railway Department or of the Finance Department? If the latter, how are the staff employed therein treated as belonging to " Railway Service " ?

Mr. C. D. M. Hindley: 1. (a) Railway service is ordinarily held to mean employment on railways and in the offices administering railways.

(b) Yes.

(c) There are no material differences.

(d) Yes. The justification in respect to passes is explained in (g) of reply to question No. 446 on 5th March 1923.

2. There is no such order, nor in view of the reply to Part 1 (a) of the question any necessity for it.

3. The Accountant General, Railways' Office like other offices of auditors attached to State Railways perform dual functions concerning both the Finance and the Railway Departments.

M. K. Reddi Garu: How many first and second class tickets by way of these concessions were issued and what is the money value of the tickets so issued?

Mr. C. D. M. Hindley: I must have notice of that question but I think a similar question has already been asked.

GRANT OF PASSES CONSIDERED IN FIXING SALARY.

571. ***M. K. Reddi Garu:** (a) With reference to the reply given by Mr. Hindley to part (d) of Sir Deva Prasad Sarvadhikary's starred question No. 446 stating that the additional emoluments received by the Staff of the Railway Department in the shape of passes and P. T. Q.'s were taken in account in fixing their salary, will the Finance Member kindly state why it was considered necessary to place them in a better financial position than the staff in other Departments of the Government of India?

(b) Is the Government aware that men belonging to other Departments of the Government of India are willing to get their services transferred to the Railway Department if possible on a reduced scale of pay provided the free Railway passes continue?

(c) Do Government propose to take steps to remove this disparity?

Mr. C. D. M. Hindley: I have been asked to reply to this question.

(a) The grant of passes at the discretion of Railways concerned is an incident of railway service. The trifling monetary value of this concession does not justify differentiation in scales of pay.

(b) No.

(c) In view of (a) above, this question does not arise.

Sir Deva Prasad Sarvadhikary: What is considered to be railway service in this connection? Is service with the Railway Board railway service for these purposes?

Mr. C. D. M. Hindley: Perhaps the Honourable Member did not hear the first part of my reply to the first question which I will repeat:

“ Railway service is ordinarily held to mean employment on railways and in the offices administering railways.”

UNSTARRED QUESTIONS AND ANSWERS.

SELECTION GRADE POST OFFICES IN THE BENGAL AND ASSAM CIRCLE.

236. **Rai T. P. Mukherjee Bahadur:** (a) Will the Government be pleased to state why important urban municipal towns and former head Post offices such as Dum-Dum, Naihati, Kanchrapara, Ranaghat, Katwa, Serampore, Kushtia, Rampurhat, Kharagpur have not been taken in the group of selection grade Post offices in the Bengal and Assam circle?

(b) Do the Government propose to enlist them in place of the following unimportant stations, *viz.*, Habibganj, Karimganj, Bhairab, Jhalakati, Patuakhali, Jamalpur and Feni?

Colonel Sir Sydney Crookshank: (a) and (b) The list of selection grade appointments sanctioned for the subordinate Postal service on the recommendations of the Postal Committee, 1920, included such appointments as could properly be classified as supervisory or were otherwise sufficiently important to be placed on higher rates of pay than the time-scales provided for officials performing the ordinary clerical work of the Post Office. The question whether any alterations are necessary in respect of the list of selection grade appointments in the Bengal and Assam Circle is under examination.

POST OFFICE AT NARAYANGANJ.

237. **Rai T. P. Mukherjee Bahadur:** Will the Government be pleased to state (a) the extra expenditure required to meet the cost of a 2nd head office at Narayanganj and (b) another Superintendent of Post Offices for Narayanganj Division, (c) under what circumstances was such expenditure sanctioned by the Government of India? (d) Were not head offices in sub-divisional towns abolished under some principle? (e) Will the Director General kindly explain the altered circumstances, which justified him to advise the Government of India for deviation from that principle?

Colonel Sir Sydney Crookshank: (a) Rs. 134 a month.

(b) Rs. 97 a month in the office establishment of the Superintendent. No new appointment of Superintendent was created; an existing appointment was transferred from the reserve to the administrative staff.

(c) Owing to urgent administrative necessity.

(d) The general principle ordinarily followed is to have a head post office for each revenue district, but occasionally it becomes necessary to depart from that principle in the interests of administrative convenience. The question of reducing the Narayanganj head post office to the status of a sub-office and of abolishing the Narayanganj Postal Division, as a measure of retrenchment, is however under consideration.

(e) The number of offices under the Dacca Head Office was very large and it was becoming increasingly difficult to exercise an effective control over them. There was also congestion of work in the Dacca office itself. It was further reported that the European and Indian residents as well as the Chamber of Commerce at Narayanganj desired that the status of the office should be raised to that of a Head Office.

EXPENDITURE INCURRED FOR THE INCHCAPE COMMITTEE.

238. **Rai T. P. Mukherjee Bahadur:** Will the Government be pleased to state the amount of expenditure incurred for the Inchcape Committee and lay on the table a statement showing the details on each head?

The Honourable Sir Basil Blackett: A statement is laid on the Table giving the information asked for.

Statement showing details of the expenses incurred or likely to be incurred up to 31st March 1923, in connection with the appointment of the Inchcape Committee.

SUMMARY OF THE EXPENSES.

	Rs.
(1) Retrenchment Office	45,108
(2) Special Officer, Finance Department (Ordinary Branch) .	31,151
(3) Finance Department (Military Branch)	15,000
(4) Military Estimates	19,000
(5) Retrenchment Committee proper	86,442
Total	<u>1,96,701</u>

Expenditure incurred in connection with the preliminary work of the Committee (i.e., Retrenchment Office).

	Rs.	A.	P.
Pay of Secretary to the Government of India, Retrenchment Office, from 6th July 1922 to 31st March 1923, at Rs. 4,000 per mensem	35,355	0	0

Establishment.

1 Stenographer from 3rd July 1922 to 19th January 1923 at Rs. 306 a month and from 20th January 1923 to 31st March 1923 at Rs. 315 per mensem	2,755	12	0
1 Assistant and Cashier from 7th July to 30th September 1922 at Rs. 125 a month and from 1st October 1922 to 31st March 1923 at Rs. 175 per mensem	1,400	13	0
1 Typist from 15th November 1922 to 28th February 1923 at Rs. 80 a month	232	11	0
4 Peons (plus 1 engaged from 7th September 1922 to 31st December 1922)	653	5	0
	<u>5,092</u>	<u>9</u>	<u>0</u>

Allowances.

Travelling allowance from Delhi to Bombay and back	1,224	0	0
" " Simla to Delhi	790	0	0
" " Delhi to Lahore and back	344	0	0
Other allowances	399	0	0
	<u>2,757</u>	<u>0</u>	<u>0</u>

Contingencies.

Service Stamps	279	0	0
Telephone charges	375	0	0
Other charges	1,250	0	0
	<u>1,904</u>	<u>0</u>	<u>0</u>
Total	45,108	9	0

Special Officer in the Finance Department (Ordinary Branch).

Pay of the Special Officer in the Finance Department at Rs. 2,250 from 22nd May to 19th October and at Rs. 2,350 from 20th October to 31st March 1923	24,636
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<i>Establishment.</i>		Rs.	Rs.
1 Assistant from July to October 1922		1,122	
2 Stenographers (1 from 15th June to 30th November 1922 at Rs. 175 per mensem, from 1st December 1922 to 28th February 1923 at Rs. 200 per mensem and for March 1923 at Rs. 175 per mensem, and 1 from 5th September to 24th October 1922 at Rs. 175 per mensem)		2,030	
1 Clerk for October		156	
2 Typists		449	
2 Peons		353	
		4,110	4,110

<i>Allowances.</i>			
Travelling allowance from Simla to Delhi—			
(i) Officer on Special Duty		265	
(ii) Office establishment		836	
Simla House Rent		540	
Separation allowance		300	
Grain Compensation allowance		12	
		1,953	1,953

<i>Contingencies.</i>			
Stationery and Printing		250	
Carriage of Records		132	
Postage and telegrams		20	
Other Charges		50	
		452	452
Total	...		31,151

Finance Department (Military Branch).

Expenditure due to appointment of additional Financial Adviser, while Mr. Mitra was engaged on preparation of case for Committee	...	15,000
Total	...	15,000

Military Estimates.

Additional cost incurred in connection with special duty of Major General Charles and Colonel Wigram	...	19,000
Total	...	19,000

Retrenchment Committee proper.

<i>I.—Subsistence allowance at Rs. 1,500 a month—</i>		Rs.
1. Sir Thomas Catto (did not draw any allowance).		
2. Sir Alexander Murray from 8th November 1922 to 2nd March 1923.		5,747
3. Sir R. N. Mookerjee from 9th November 1922 to 24th February 1923.		5,385
4. Honourable Mr. Purshotamdas Thakurdas from 5th November 1922 to 31st March 1923.		5,945
5. Mr. D. M. Dalal from 5th November 1922 to 16th March 1923.		6,575
6. Mr. J. Milne from 5th November 1922 to 16th March 1923.		6,575
7. Mr. H. F. Howard from 5th November 1922 to 16th March 1923.		6,575
8. Salary of Colonel J. C. Harding-Newman from 12th November 1922 to 15th February 1923 (pay at Rs. 2,200 <i>plus</i> special pay at Rs. 10 per diem).		7,933
		44,785

I.—Subsistence allowance—contd.

	Rs.	Rs.
Subsistence allowance to Messrs. Dalal, Milne and Howard during the period of voyage to India and back (one month) at £100 a month.	4,500	
Salary of Mr. J. Milne to be re-imbursed by the India Office to Great Western Railway from 15th October 1922 to 31st March 1923 at £1,750 per annum.	12,030	
	—————	16,530

II.—Travelling allowance—

(a) Three first class passages from England to India and back for Messrs. Dalal, Howard and Milne at £78-10-0 each.	7,066	
(b) One single first class fare each from Bombay to Delhi to Messrs. Dalal, Purshotamdas Thakurdas, Milne and Howard who travelled by Special Train.	430	
(c) Double first class fare to Messrs. Dalal, Purshotamdas Thakurdas, Milne and Howard from Delhi to Bombay.	860	
(d) Double first class fare to Sir Alexander Murray and Sir R. N. Mookerjee from Calcutta to Delhi and back.	840	
(e) Haulage of Motor-cars of the President and Members of the Committee from Bombay and Calcutta to Delhi and back.	2,606	
(f) Double first class fare to Colonel J. C. Harding-Newman from Delhi to Karachi (from Karachi to Delhi he travelled on military warrant).	189	
	—————	11,991

*III.—Office establishment from 27th October 1922 to 31st March 1923—**(a) Ministerial establishment—*

1 Superintendent at Rs. 400.	}	7,636
1 Assistant and Cashier at Rs. 200.		
1 General Clerk at Rs. 125.		
4 Typists at Rs. 120 each.		
2 Typists at Rs. 100 each.		

(b) Menial establishment—

1 Duftry at Rs. 24	}	7,636
1 Jamadar for President at Rs. 25.		
1 Dafadar for Secretary at Rs. 20.		
15 Peons at Rs. 16 per mensem each.		

(c) Travelling allowance of Superintendent to and from Bombay. 189

(d) Grant of bonus to the ministerial establishment. 926

8,751

IV.—Contingencies—

Service Stamps	120
Telephone Charges	1,300
Liveries, etc.	615
Stationery and Printing	600
Furniture	800
Other charges	1,000
	—————

4,435

TOTAL

86,442

(Note A. No expenses have been incurred in connection with witnesses except travelling allowance to officers of Government under the ordinary rules.)

(Note B. The figures are not final.)

THE BUDGET—LIST OF DEMANDS.

SECOND STAGE—*contd.*

DEMAND No. 7—FORESTS.

Mr. J. Hullah (Revenue and Agriculture Secretary): Sir, I beg to move:

“That a sum not exceeding Rs. 9,28,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Forests’.”

Sir Deva Prasad Sarvadhikary (Calcutta: Non-Muhammadan Urban): Sir, here as elsewhere I am scrupulously avoiding saying anything beyond the recommendations of the Inchcape Committee, and I am trying, as far as possible, to confine the question to the existing recommendation for retrenchment. As the motion standing in my name shows, it is under the head Allowances and Honoraria and Supplies and Services that I ask for comparatively small reductions within the limits of the Inchcape Committee's recommendations, so that the objective that we all have may be reached. I do not think I can put my case any higher than that. I recognise that Allowances and Honoraria and Supplies and Services are all necessary, but, having regard to the exigencies of the times, I want to have them reduced as far as possible. Undoubtedly some reduction has already been made but we believe that further reduction is possible; in the absence of details under those heads, it is not possible to indicate exactly which of the items should go out in the lump deductions indicated in the demand asked for.

Mr. President: Is the Honourable Member moving 122?

Sir Deva Prasad Sarvadhikary: And 123.* My remarks will apply to both. I do not want to make two speeches. But the two proposals may be put separately.

Mr. President: The question is:

“That the provision for Allowances and Honoraria under the head ‘Forests’ be reduced by Rs. 15,000.”

Mr. J. Hullah: Sir, a reduction has already been made, as Sir Deva Prasad Sarvadhikary admits, and I cannot say that any further reduction is possible. We are working down, as far as possible, to the recommendations of the Retrenchment Committee and the matter of allowances and contingencies will, of course, receive our attention. The allowances are for travelling allowance to officers on tour and to the establishment and a large part of the travelling allowance is spent by the Inspector General of Forests whose tours are extensive and to distant places including the Andamans and Coorg which are two of the Forest properties under the Government of India. The other allowances are, for the most part, house rent to the office establishment at Simla, separation allowance for clerks at Delhi who leave their families in their villages, local allowance to menials at Simla and Delhi and house rent to clerks at Delhi who are not provided with quarters. Beyond an assurance that we shall do our best to cut down these allowances as well as everything else in accordance with the recommendations of the Retrenchment Committee, I cannot say definitely

* “123. That the provision for Supplies and Services under the head ‘Forests’ be reduced by Rs. 1 lakh.”

[Mr. J. Hullah.]

whether there is scope for reduction or what amount of reduction we may be able to make.

Sir Deva Prasad Sarvadhikary: Miscellaneous charges Rs. 2,18,000.

Mr. J. Hullah: I am sorry, I did not know that was included in the Honourable Member's motion.

Sir Deva Prasad Sarvadhikary: That is under Supplies and Services.

Mr. J. Hullah: I see. The figure is on account of the expenses of the economic branch of the Research Institute. The new buildings for that branch are just approaching completion and the plant for installation is lying at Dehra Dun and will now be placed inside these buildings. We have almost completed our staff of research experts in the economic branch and they will now be able to get to work properly with the new plant which has already arrived. The miscellaneous charges are mainly in connection with the material on which they will work. It would take me, I am afraid, about half an hour to read out the various details included in this sum of Rs. 2,18,000. But I may say that of the reduction of Rs. 55,000 shown under votable items, Rs. 50,000 is on account of deduction from this particular figure, so that the amount granted to the Research Institute for these miscellaneous supplies will not be Rs. 2,18,000 but Rs. 50,000 smaller than that figure. In short, we have already made a reduction of Rs. 50,000.

Dr. H. S. Gour (Nagpur Division: Non-Muhammadan): Sir, may I in this connection inquire what is the meaning of the statement in the revised statement prepared by the Finance Department "The reduction of Rs. 96,000 is effected by not filling up two appointments and by reduction in miscellaneous expenditure at the Research Institute. What I want to know, Sir, is how far the Research Institute will be affected by the proposed reduction of Rs. 96,000 and what are the two appointments brought under reduction in consequence of this revision.

Mr. J. Hullah: The two appointments are those of the Forest Botanist, non-votable, for whom a Budget provision of Rs. 25,800 was originally made, and the Systematic Entomologist for whom a Budget provision of Rs. 15,380 was made. In addition there is the Rs. 50,000 reduction which I have just mentioned, and a reduction of Rs. 5,000 on account of passages of Indian probationers to England. The total of these items is Rs. 96,000, of which Rs. 91,000 will be a retrenchment on the Dehra Dun Research Institute.

Sir Deva Prasad Sarvadhikary: I do not wish to press the motion. I fully accept Mr. Hullah's explanation. I fully believe in the future of this institution and do not desire to press this.

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

Sir Deva Prasad Sarvadhikary: The same observation applies to my motion† No. 123 also.

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

* "That the provision for Allowances and Honoraria under the head 'Forests' (page 27) be reduced by Rs. 15,000."

† "That the provision for Supplies and Services under the head "Forests" (page 27) be reduced by Rs. 1 lakh."

Rai Sahib Lakshmi Narayan Lal (Bihar and Orissa: Nominated Non-Official): Sir, I move:

“That the demand under the head ‘Forests’ be reduced by Rs. 43,800.”

The Budget estimate of this year is in excess of the Budget estimate of last year by Rs. 2,55,000 taking both the votable and non-votable items into consideration and the excess is Rs. 2,42,000 taking only the votable items into consideration. The Retrenchment Committee has recommended a reduction of Rs. 6,90,000 of which Rs. 86,000 is under the head Forest Research Institute and the rest is on expenditure in England. After this recommendation a reduction of Rs. 55,000 has been made. But I ask for a further reduction under this amendment. Sir, it is very much encouraging to learn from the report of the Retrenchment Committee, that all the officers who have appeared before it were very earnest for reduction in the expenditure, and I hope that if they will try to economise, they will be able to further reduce the expenditure to the extent asked for under this amendment. There is one matter, Sir, to which I want to draw attention under this head. Although we have been informed that there has been a reduction of Rs. 55,000 under votable items, we have not been as yet informed whether there has been any reduction on the non-votable items. Though I am quite alive to the fact that we have no right to vote regarding non-votable items, yet we have a right to know whether the reduction recommended by the Committee has been accepted or not. Day after to-morrow we are going to sit to consider the Finance Bill and before we do that we are entitled to know whether the reduction recommended by the Committee for the non-votable items also have been accepted by the Government or not. I move my amendment.

Mr. J. Hullah: Sir, if the Honourable Member thinks that, whereas the Retrenchment Committee has recommended a reduction of more than Rs. 6 lakhs under the head Forests, we have made a reduction of only Rs. 55,000, he is very greatly mistaken. The Inchcape Committee in dealing with Forests did not take the Demand, Forests as it appears in this volume, but the Budget head Forests, which includes not only the headquarters charges and the Dehra Dun Institute but also all the expenditure in the minor administrations such as the Andamans, Coorg, the North-West Frontier Province and two or three other places where forests are of less importance. The total Budget under Forests is Rs. 47 lakhs while the Inchcape Committee figure is Rs. 45.55 lakhs. We had therefore already come very nearly down to the Inchcape Committee figure. But we have made a further cut of Rs. 96,000, so the total expenditure on forests will be Rs. 46,10,000. We are thus only Rs. 55,000 short of the recommendations of the Inchcape Committee. The Honourable Member also said that the Assembly was entitled to know whether any reduction had been made in the non-votable head. I have just explained that provision for two officers has been cut out, the Forest Botanist and one of the Entomologists. The reduction on account of these two officers is Rs. 41,000.

Rai Sahib Lakshmi Narayan Lal: Sir, I do not press my amendment.

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

Mr. B. Venkatapiraju (Ganjam cum Vizagapatam: Non-Muhammadan Rural): Sir, I move:

“That the Demand under the head ‘Forests’ (page 27) be reduced by Rs. 100.”

[Mr. B. Venkatapatiraju.]

I make this motion in order to raise a question. A provision was made for the Dehra Dun Imperial Research Institute. We find, Sir, that the decision arrived at by this Assembly was not given proper effect to in this wise. Firstly, it was sanctioned long ago by the Secretary of State that we must have facilities provided for the Imperial forest recruitment in India with the approval of the Government of India; but later on the Government of India changed their mind. Eventually the Honourable Mr. Hullah on behalf of Government introduced a Resolution in this Assembly that we should go back upon the decision of the Government of India as well as the Secretary of State to provide a fully equipped institute in Dehra Dun. But after mature consideration this Assembly decided that we should still stick to the old decision arrived at by the Secretary of State and the Government of India. We insisted that as soon as possible it should be done, but that in the interval the old system might continue. Now I find that nothing has been done to show that any attempt is made to secure at an early date a fully equipped institute for training our Imperial recruits for Forest service. Fortunately, there is no difficulty for we find that the present Institute is fully equipped. We have got about 35 officers, about 25 of whom are persons imported from England who must be highly qualified experts because we are paying them good salaries. Therefore nobody need say that we have not got a fully equipped Institute. Where was the difficulty of training Indians here for that Service. Long ago, the Public Services Commission stated that we should have a fully equipped institute in India. Not only that. They went further and said that there should be no limit placed on the number of officers to be recruited in India for the Imperial Service. They also added that there is no policy underlying it because this Forest Service has nothing to do either with Imperial connections or with the British supremacy.

Therefore, when there is no policy underlying it, it is purely a matter of employing our own men to do forest service. The first complaint is that in the Research Institute you have not appointed any Indian. Out of 25 officers of the Imperial cadre there is not a single Indian. You only find one assistant who is employed in research. Why they have failed to employ additional assistants in order to do research work I do not understand. What was the difficulty felt to secure Indian recruits to be trained in India, instead of sending them to England for the Imperial Forest Service, whatever be the difficulties of securing the attendance of British recruits here. After all, this is not absolutely necessary though at the present moment we are recruiting only 40 per cent. here and 60 per cent. in England. The other day the Honourable Mr. Hullah stated that there was no objection to recruiting the 100 per cent. of Indians. What is the use of these pious statements when they are not put into practice? There is not much change whether the portfolio is in the hands of an Indian Member or an English Member because under both we find the same difficulty and there are no additional Indians employed in the Imperial cadre and no attempts are being made to train Indians here. Therefore I submit that it is unfair that the opinion of this Assembly should be brushed aside in this manner. Even the Retrenchment Committee suggested that so far as the training is concerned, it is desirable that it should be extended. But what they said is "You need not indulge in having costly constructions which cost 125 lakhs." That may be or may not be. After all, these may be uneconomical economies. But for educational purposes any amount spent is absolutely necessary and a proper investment; whether it be in Dehra

Dun or at Delhi it is absolutely necessary that we should have fair educational facilities in India. This Assembly, at least on the non-official side, will not agree to any unnecessary reduction in the matter of national development purposes, and therefore we insist that something must be done in order to give full effect to the pledges given from time to time and to the assurances given that they are Indianising the Forest Service which is a matter in which they admit there is no policy underlying it.

The Honourable Mr. B. N. Sarma (Revenue and Agriculture Member): I shall not, at this stage enter into a discussion as regards the Resolution which this House and the Council of State have passed regarding the future training of Europeans and Indians in India at the Dehra Dun Institute. But I shall place before the House some of the difficulties in the way of the Government's arriving at any definite conclusion on that point till now. The Department of Revenue and Agriculture has until very recently been in some doubt as to whether the Dehra Dun Forest Research Institute would continue to be a living Institute or would be abolished or so seriously retrenched as to be practically infructuous for the purposes for which it was intended. In view of the present financial stringency an opinion has been entertained in some quarters that it would be unwise to embark upon this kind of expenditure and that it would be for the Provincial Governments to take up research in the various provinces because most of the forests are located in the provinces. An alternative suggestion has been made that if the Government of India are to find funds for this Forest Research Institute they should be to a very great extent reimbursed by contributions from the provinces and the decision of the Government of India could not be definitely ascertained by the Department until they knew what the Retrenchment Committee had to say upon the subject. The Department felt that it would be wrong on their part to deal with the question until the Retrenchment Committee had reported upon it. Now, that the Retrenchment Committee has recommended that the Forest Research Institute should continue to function substantially as hithertofore except perhaps with regard to certain departments of research about which they entertained doubts—now that the Retrenchment Committee have recommended that the educational activities of this Institute should not be hampered, the Department are in a position to take up the question as to how far they would be able to give effect to the recommendations of this House in the matter of education for training for the Imperial Service. But there is no use disguising from myself or from the House the fact that to give full effect to the Resolution may be difficult inasmuch as our Public Works expenditure has been asked to be curtailed by the Retrenchment Committee, and apart from any recommendations which have been made by the Retrenchment Committee it would be unreasonable for the Department to ask the Government of India to embark upon a heavy expenditure on buildings at present. The Inchcape Committee has recommended that no further buildings should be taken on hand and that the expenditure should be limited to the commitments already made. We have been obliged therefore to reduce our expenditure on the Dehra Dun Institute to Rs. 8 lakhs which sum has been provided in order to carry out the works which had been undertaken for housing the Economic Section. The Department and the Government of India have therefore to ascertain as to whether it would be possible with the limited space at Dehra Dun Institute to find quarters for all the students and for the various classes in case the educational activities of the Research Institute are to be enlarged on the scale recommended. But this much I may assure the

[Mr. B. N. Sarma.]

House that the Government of India hope to give effect to that recommendation to the largest extent possible and to start training at as early a date as may be practicable so as to make a beginning with the limited funds at their disposal. We do not want to put off indefinitely on account of want of funds, if it be found practicable, to undertake the training of Indians for the Imperial Service in India. I am as keen as any Honourable Member to push on the good work and you may rest assured that it is not for want of will on the part of the Government of India that this has been held up hitherto, but it is because there are so many practical difficulties which we have to surmount before the scheme materialises and becomes an accomplished fact. Honourable Members will themselves notice that in the Resolution which they have passed they have suggested that the present arrangement should continue until the Research Institute can be brought up to that stage at which it would be possible to undertake the training of both Europeans and Indians in India. I am not for a moment saying that the Government of India should not give effect to that recommendation but I am only suggesting that we may have to make a smaller beginning than that in order to carry out the wishes of the Assembly, the Council of State and the Indian people at large. The House will be interested to know that about 56 per cent. of probationers in England at the present moment are Indians. That is due to the fact that in the previous years it was not possible to recruit the proper number of Indians but we find now that the provinces owing to financial embarrassments have asked that the number should be limited as far as possible and that is the reason why in the coming year we have to reduce the number of recruits to 15, 10 of whom would be Europeans and 5 Indians. So from this explanation my Honourable friend will see that the Government of India (and the remark that it makes no difference whether the department is in charge of an Indian or a European is perfectly justifiable) would try to give effect to those recommendations as far as possible and we mean to give early consideration to that Resolution inasmuch as we now find that the Retrenchment Committee has definitely recommended that the educational programme should not be curtailed and that the Research Institute should function as hithertofore, although I for one do not see at present whether we shall be able to give effect to the recommendations for curtailing some of the branches of research activity in the manner suggested in that report. I do not think I should be justified in taking up further the time of the House at this stage.

Sir Deva Prasad Sarvadhikary: I desire to say just one word in support of the point of view put forward by Mr. Raju and at the same time to put in a very strong protest against abandonment of the Research Institute. We are prepared to accept the recommendations of the Incheape Committee with regard to other matters. But in matters like this I am at one with Mr. Innes, although he was wrong on the particular occasion to which I refer. With regard to research, education, sanitation and even archæology, I am not prepared to accept their recommendations for they are short sighted. The Government would be well advised in reconsidering their decision. We must go on with research as begun, the Forest Department may die but the forests will live and live to redound to the wealth of India if properly handled. Anything that is not done now or omitted for advancing those researches on proper lines and enabling our people to take a high position in forest work will be suicidal.

Mr. B. Venkatapatiraju: I withdraw my motion on the assurance given by Government.

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

Mr. J. Ramayya Pantulu (Godavari *cum* Kistna: Non-Muhammadian Rural): I should like to make a few remarks in regard to the point raised just now

Mr. President: The motion has just been withdrawn by the leave of the Assembly.

Mr. J. Ramayya Pantulu: I want to speak on that portion of the Research Institute which consists of the Institute proper, but not the college.

Mr. President: The Honourable Member can move his motion and then see whether he will keep in order.

Mr. J. Ramayya Pantulu: I beg to move:

“ That the demand under the head ‘ Forests ’ be reduced by Rs. 100.”

I move this motion in order to call the attention of the House and also the attention of the Government to what I consider to be the unsatisfactory condition of the working of that portion of the Research Institute which forms the Research Institute proper, apart from the Forest College. That institute consists of a number of departments which are engaged in making experiments with a view to enhancing the commercial value of our forests. Each of these departments is presided over by a highly paid expert. Most of these experts have been imported from foreign countries, mostly from America and Canada. The work that these experts are expected to do is partly to make experiments and partly to train Indians to make those experiments themselves, so that, in course of time, these Indians might replace the foreign experts. I find, Sir, that although there are as many as six departments attached to the institute not a single Indian has been trained in the work of this department except one in the timber testing department. There is the forest wood technology, the paper pulp department, the timber testing department, the wood seasoning department and the tanning department. To none of these departments except the timber testing department, is an Indian attached, so as to be trained to do the work himself and in due course, to replace the present expert when his term of contract expires. Thus the main part of the work of these experts has been neglected to the detriment of the interests of the country. There is one other matter. In the matter of the timber testing department, we have got an expert on Rs. 1,500 a month and we have got his assistant and I am told that these two gentlemen have not got one-tenth of the work which they can do. I recently paid a short visit to Dehra Dun and the timber testing expert told me that he has got only two machines now with which he is able to make only one thousand tests in the course of a month. The scheme of the work of this department is that every one sort of timber must undergo five thousand tests. Now these two existing machines are able to make only one thousand experiments in the course of a month. So that it takes five months to complete all the experiments on one timber. I am told that we have got about 300 sorts of timber in our forests, so that will take 125 years to test all these timbers. But the same expert told me that he could supervise the work of 20 machines if he had them; but he has only two, and hence there is not really enough work for himself and his assistant and we are simply wasting a large amount of money. The present policy of Government is a mixture

* “ That the Demand under the head ‘ Forests ’ be reduced by Rs. 100.”

[Mr. J. Ramayya Pantulu.]

of parsimony and extravagance. You maintain a highly paid establishment and you do not give it enough work to do because you say you cannot afford to appoint assistants or buy more machines. I do not think, Sir, that that is economy; it is extravagance. If you want to continue that timber testing department you ought to give it a sufficiency of work to do, so that there may be some hope of this part of the work being finished within a reasonable time. It will otherwise take 125 years to complete.

I should like, Sir, to know what the Honourable the Revenue Member is going to do in this matter.

The Honourable Mr. B. N. Sarma: Sir, I do not think I need grudge any criticism which will provide me with more funds for my institute; but Honourable Members will realize that it has been impossible hitherto to find assistants or machines in the absence of accommodation. But we hope to be able to find both during the next year, as the Economic Section is going to be housed appropriately and I do not think the complaints we have heard to-day will be heard any longer. I wish Honourable Members had borne that in mind when they proposed a further curtailment. I am glad they have not proceeded with it. In the demand for supplies and services it was proposed and we have already accepted a cut of Rs. 50,000. But I think the Government of India, in view of the financial stringency, had no alternative but to proceed cautiously and slowly. Now that research work is being appreciated in all departments there is no doubt the Government will do their level best to find full employment for all their experts. We have been reproached for not finding assistants in the technological and other departments; but where we could we have employed assistants who will in due course succeed these experts imported from outside; and we hope to pursue this policy so that these costly agencies may be replaced by an indigenous agency of an efficient character and at a reduced cost.

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

Dr. Nand Lal (West Punjab: Non-Muhammadian): I move:

"That the demand under the head 'Forests' be reduced by 5 per cent."

Sir, as you know, the revenue derived from forests, in the provinces goes to the provinces. There are some forests indeed which are in the possession of and under the control of the Government of India, as for instance, forests in the North-West Frontier Province, Coorg and the Andamans. Sir, as you know, recently a very large sum has been spent on the exploitation of the forests and that expenditure naturally induces me to ask what the result has been, what produce and what stock is available, what revenue has been derived? I confess my inability to lay my hand on any reliable literature pertaining to this point and I think it is necessary to draw the attention of the Honourable Member in charge of this Department to the paucity of literature on this subject. Now, Sir, in considering the expenditure involved in the development of forests, for instance in the North-West Frontier Province, may I invite your attention to page 235 of the report of the Retrenchment Committee. You will feel surprised at what it tells us. The information embodied in the report runs as follows:

"In 1913-14 the expenditure was Rs. 1,31,300, and the revenue which we then derived was Rs. 2,66,000."

Now, look at the rise so far as expenditure goes in 1921-22. It rose to Rs. 6,77,000

The Honourable Mr. B. N. Sarma: May I suggest, Sir, that the Honourable Member is out of order because he is discussing expenditure in the North-West Frontier Province, whereas the demand is only with regard to forest research. I think the Honourable Member will have an opportunity of discussing the other matter later.

Dr. Nand Lal: Yes, I concede that there is force in that point and I therefore withdraw my amendment.

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

Mr. President: The question is:

“That a sum not exceeding Rs. 9,28,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Forests’.”

The motion was adopted.

DEMAND No. 6—STAMPS.

The Honourable Mr. C. A. Innes (Commerce and Industries Member): I beg to move, Sir:

“That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Stamps’.”

Mr. B. S. Kamat (Bombay Central Division: Non-Muhammadan Rural): Sir, I move:

“That the demand under the head ‘Stamps’—including expenditure in England—be reduced to Re. 1.”

The point which I wish to raise in connection with the demand for Stamps is about the manufacture of stamps in India. Honourable Members will remember that I raised this point last year. I wanted to know why the Government of India did not manufacture their stamps in this country. I had hoped that the Department concerned would take some steps during the past 12 months, but I am sorry to find that in that period very little seems to have been done, if I may judge by a reply to a question of mine given by the Honourable Mr. Innes recently in this House. In reply to that question about the manufacture of stamps Mr. Innes said—

“No detailed inquiries have so far been instituted by Government in this matter.”

Sir, the contract with Messrs. De la Rue and Co. terminates next year and if any firm in India has to undertake this work I fear some time will be necessary for them to instal new machinery.

If Government therefore take no action till then, it is just likely that they may turn round next year and say it is not possible for any firm in India to manufacture stamps at all. I want to know, therefore, whether Government have really taken any serious steps in the matter and whether they have the will to do something. The second point which I wish to ask in this connection is with reference to the administration of Stamps and Stationery Department by the Controller of Stationery and Stamps in Calcutta. Those who have read the report of the Inchcape Committee must have seen that the Controller has not been as vigilant as he ought to have been with reference to a number of matters, chiefly about recoveries. The Calcutta depôt is a distributing depôt for the distribution

[Mr. B. S. Kamat.]

of stamps to Provincial Governments and minor Administrations. I find from the Report of the Incheape Committee that the Controller of Stamps and Stationery has not recovered from the Provincial Governments even the cost of stamps supplied for instance to Bengal or the cost of even plain paper supplied to some other Provincial Governments. He has neither recovered for the Central Government the loss in exchange and, in some cases not even the cost of transit to Provincial Governments. It seems rather curious that this Controller is not looking after his accounts and recoveries which he should have made. I should like to know, therefore, what action has been taken to see that recoveries are properly made and the expenditure of the Stamps Department is not unduly inflated.

The Honourable Mr. C. A. Innes: Sir, I will first take up the question of the manufacture of stamps in India. I think the House ought to realise that this question of the manufacture of stamps in India is a very difficult question. If we hand it over to a private firm, only one firm can be entrusted with the work. There is no firm in India which is at present printing stamps at all. It is a very difficult and a very technical matter. There are special difficulties in India and the House will realise that when the firm is first undertaking this printing, we may run the gravest possible risk of a breakdown. That is the reason why the Government of India have proceeded cautiously in this matter. It is not correct to say that we have done nothing in the matter. On the contrary we have sent Home, or rather Colonel Willis of the Mint Department has been sent Home to investigate the question of printing notes in India, and we took advantage of his presence at Home to ask him to investigate the question of printing stamps in India with reference to any special difficulties which there might be owing to climatic and other reasons, and we associated with Colonel Willis Mr. Ascoli who had been on special duty for a considerable time in the Printing and Stationery Department to investigate all the activities of that department with a view to economy. Colonel Willis did not get Home till, I think, November or December last, but I arranged that they should send us a cable just before the Budget debate in order that we might know what progress they had made in their investigations, and I have received that cable. They have arrived at the conclusion in regard to technical difficulties that no very material difficulties exist. But they go on to say that at the commencement very considerable non-productive expenditure must be faced during the experimental period. They express doubts whether it would be wise to entrust the manufacture to any private firm which has not hitherto printed stamps as the process requires very different qualifications from ordinary printing, and it will necessitate a long term contract to cover heavy material charges and involves risk of breakdown with disastrous consequences. They go on to say that if Government undertakes the work, an experimental press should be started this year. To test gums, inks and paper and to ensure proper registration and impression after the existing contract expires it will be necessary to import machinery and materials. They add that a preliminary report is being despatched so as to reach us, if possible, by the end of March and they will follow it up by more detailed proposals. As soon as those proposals arrive, I will place them before the departmental Committee of the Commerce Department in order that the whole matter may be investigated. It will require, of course, very considerable preparatory work before either Government or the private firm, if we decide on

giving a contract of this kind to a private firm, can really get going with the printing of stamps. That may necessitate some extension of this contract to De La Rue and Co. The existing contract with De La Rue and Co. contains a clause to say that if it is not terminated, it runs on, but can be terminated at any time at six months' notice. That is the exact position as regards the manufacture of stamps in India. One point more I have got to make. The House must remember that many of these stamps are stamps which we supply to Local Governments. We cannot expect Local Governments to indent on us, assuming that we start our own manufacture in India, unless we can show that we can print those stamps as well and as economically as they can be imported. That would not necessarily apply to postage stamps. Colonel Willis and Mr. Ascoli say that so far they find it impossible to give any estimate of the cost. They add that it is improbable that material economies will result during the earlier years.

I now turn to the other question raised by Mr. Kamat, and I may say at once that had Mr. Kamat moved a reduction of one rupee in the Demand for Stamps, I would have been tempted to take that one rupee out of my pocket and place it on the table. For, I must confess that the Inchcape Committee's report has brought to light a bad state of affairs, and the Government of India must accept responsibility for that state of affairs. What happened was of course that the implications of the Reforms Scheme were not realised. Formerly, when we had a combined purse the question of recovery from Local Governments did not arise. When the Reforms Scheme came in and non-judicial stamps were transferred to Local Governments as a provincial source of revenue, it was not realised at first that the recoveries ought to have been made. There was some confusion undoubtedly, want of co-ordination, as the Inchcape Committee put it, between the Controller of Printing and Stationery on the one hand and the Accounts Officers on the other, as also want of co-ordination between the India Office and the Government of India in this matter. What I can say is that this matter was discovered some time ago and instructions have already been issued or are being issued to Local Governments. We have not only to effect recoveries which are in arrears but to make such changes in the system as will prevent a recurrence of maladministration of this kind in the future.

Dr. Nand Lal: Sir, I generally place implicit faith in the correctness of the information which is given by the Honourable Mr. Innes, but
 12 Noon. I am sorry I cannot do so on this occasion. If I understand aright and if my information is correct, we find machinery of this type and work of this kind going on in Hyderabad, Deccan and one or two other States and my informant told me that it proved a great success. Now, when this point is raised, the Honourable Mr. Innes comes forward with this sympathy for the Indian enterprise that if this system of industry is allowed in India, most probably it may prove disastrous. I may say this is left-handed sympathy. My own belief is, and I think this is the opinion of the majority of big printers in India, that if this task is entrusted to them, they will be able to do justice to it. Considering the great amount of expenditure which we incur, we feel forced to offer this suggestion to the Government of India that they may kindly give a trial to Indian printers, and if they do it, they will soon come to know and realise that Indians are fully capable of doing it and Indian soil is quite agreeable to that work.

Dr. H. S. Gour: I had tabled an amendment also:

"That the demand under the head 'Stamps'—including expenditure in England—be reduced by Rs. 100."

I should like to say a few words in connection with that amendment. Last year this question was debated in this House, and the Honourable Mr. Innes, speaking for his Department, passed on to me some daubs of stamps produced by a Native Indian State, and said, "if this is the kind of work which is done in India, would it justify the indigenous printing of stamps." Since then I have collected information. I prepared a very large number of letters and sent them on to different States, and in response to my invitation and to my surprise, I received a very large number of stamps actually manufactured in this country. I showed a great many of them to the Honourable Mr. Innes, and I remember I also passed round that album for the inspection of the House. (*Cries of "Yes" "yes."*) I also received a copy of the Gœble's Automatic Printing Machine catalogue which showed how the whole thing is done by automatic machinery. It is not a question of climate or of gums, but a mere question of investing a sum of money and indenting on Germany for this Gœble's machine, which is used, I believe, in all the countries of Europe and America, and if I mistake not in the State of Hyderabad. The stamps which I showed to the Honourable Members of this House and to the Honourable Mr. Innes were a revelation. They were embossed stamps of the most beautiful type produced by machinery which gives no trouble and which were actually being used in Hyderabad. I asked the Honourable Mr. Innes to look at his picture of the stamps which he showed me and mine of the stamps produced in the country. Now, Sir, after that ocular demonstration, I am surprised that the deputation that went to England to inquire into the possibilities of printing stamps in this country has sent by cable that extremely disappointing report, and I am further disappointed to hear from the lips of the Honourable Mr. Innes that he will first of all try in an experimental measure a small printing press. (*The Honourable Mr. C. A. Innes: "I did not say that."*) He says he did not say that. I stand corrected; that there are insuperable difficulties; (*The Honourable Mr. C. A. Innes: "I did not say that."*) that there are difficulties in the way of starting the printing of stamps in this country. Now, Sir, I ask the Honourable Mr. Innes how have these difficulties been overcome in the Indian States where stamps are actually being printed, and in the adjacent island of Ceylon where beautiful stamps are printed, in Assam and in Japan, which print their own stamps and do not indent on Thomas de la Rue and Company. I say, Sir, that even if it cost a little more, the Honourable Mr. Innes could not have forgotten his own Resolution, moved the other day in this House, on the question of free trade and protection. Speaking on that subject, the Honourable Mr. Innes said that the policy of the Government of India is to foster indigenous industries. Now printing is an indigenous industry. It requires development, and unless you take some risks, how are you going to develop the printing of stamps in this country? Honourable Members will find, if they turn to the Demand book, that we buy from Thomas de la Rue and Company stamps to the value of half a crore of rupees per annum, and we have to keep in addition a costly establishment for the storage and distribution of these stamps. I therefore submit, Sir, that, if you put all the costs together, it certainly would not come to much more than you would spend upon the local printing of stamps. And even if in the commencement the stamps are not produced as well as they are done by

the firm overseas, I am sure that the Members of this House will overlook these small defects which are compatible with small beginnings, provided the industry receives a stimulus which it deserves at the hands of the Government and the printing presses in this country are encouraged to invest in the machinery which is necessary for the purpose of doing work of this character. I have in my possession information from several firms in this country who are prepared to take contracts and run all the risk that is necessary in the printing of these stamps, and they are firms who have been doing work with credit for the Government for a number of years. I ask, Sir, why should not these presses be employed for the production of stamps in this country? Then, Sir, it has been said by the Honourable Mr. Innes that it is possible that Messrs. Thomas de la Rue's contract might be extended. Let me in this connection draw the attention of the House to what the Incheape Committee themselves recommend in this connection. On page 231 they say: "There would appear to be many advantages in getting post cards at any rate printed in India." They are in favour of the printing of stamps and post cards in the country, and they say that, at any rate, let the post cards be printed in this country; not that the stamps should not be printed in this country also. And they point out that it would be economical if a beginning is made with the printing of stamps in this country. I submit, Sir, that this House should speak with no uncertain voice on this great subject of developing one of the rising industries of this country, namely, developing the printing press in India. And we can never develop these presses unless the Government extend to them their patronage. They have the right to expect it; we have the right to demand it, and I think it is up to the Government to respond to the call made upon it and see that, instead of following the policy of *laissez-faire* the Government also feel with the House that, whether risks are taken or not, one supreme effort shall be made for the purpose of printing stamps in this country. I hope, Sir, that the Honourable Mr. Innes will revise his words and his thoughts and give this House a more re-assuring message that he will accede to the unanimous wish—I think it is a unanimous wish on this side of the House—that stamps should be manufactured in this country at the earliest opportunity, and that we cannot tolerate the extension of Messrs. Thomas de la Rue's contract at enhanced or unenhanced rates.

I move my amendment.

Mr. Darcy Lindsay (Bengal: European): Sir, I should like to ask the Honourable Mr. Innes whether any suggestion has been made to the present contractors, Messrs. de la Rue and Company, to establish a factory in India for the manufacture of stamps. They are a very old firm in this class of business and entirely to be trusted in the manufacture and distribution of stamps, and I think that is one of the points that weighs very strongly with the Honourable Member. That stamps can be made in this country I, for one, am satisfied, both as regards quality and price. We have had stamps made in Calcutta for an Indian State by Messrs. Thacker Spink and Company that I think are equal to any stamp manufactured by Messrs. de la Rue and Company. (*Dr. H. S. Gour*: "I showed those stamps to the Honourable Mr. Innes.")

Another point, Sir, of extreme importance to India is the money that would be saved in carrying much smaller stocks. I believe I am correct in the statement that the Post Office alone carries at least a two years' supply, and I believe their stock is in value something like Rs. 20 to

[Mr. Darcy Lindsay.]

Rs. 25 lakhs. If stamps were manufactured in the country, there would be no necessity for carrying more than a six months' supply and the interest on Rs. 10 lakhs or Rs. 15 lakhs thereby saved is a considerable sum. This includes all classes of stamps manufactured, and on these grounds I strongly urge that arrangements should, if possible, be made for the manufacture of stamps in India.

Sardar B. A. Dalal (Bombay Northern Division: Non-Muhammadian Rural): With your permission, Sir, I might mention that stamps are made in the Indian States, especially in Baroda, and, if my information is correct, also in Rajpipla, and it should not, I think, be very difficult to manufacture them in India; so this enterprise might be entrusted to Indian firms.

With these remarks, I support the amendment.

The Honourable Mr. C. A. Innes: Sir, the difference between Dr. Gour and Mr. Darcy Lindsay and myself is merely a difference of point of view. Dr. Gour and Mr. Darcy Lindsay have no responsibility in this matter; the Government have. As I have said, this is a very important question indeed. The Government now supply postage and judicial stamps for all India and, before we embark on a new departure in the way of manufacturing those stamps in India, we must be thoroughly satisfied that we are not going to have a breakdown. That is the reason why Government consider that they must watch their steps most carefully and that they must proceed cautiously. That is why we have had the question examined by these two officers at home and that we propose to await their report before we take further steps. Both Dr. Gour and Mr. Darcy Lindsay have referred to the fact that certain Indian States print their own stamps. I am aware of that fact, but they have me at a disadvantage. I also have made inquiries; I also have information on this point, but that information was supplied to me in confidence and I am not at liberty to use it. Neither Dr. Gour nor Mr. Darcy Lindsay referred to the cost of printing those stamps, and I might point out that in this matter in these times of financial stringency cost is a very serious consideration. (*Dr. H. S. Gour*: "I have been informed, Sir, that the cost is 15 to 20 per cent. cheaper than Thomas de la Rue's rates.") My information, Sir, is different and surely this different information indicates the necessity of proceeding with care and caution. Dr. Gour then stated that the House would not tolerate any extension of the de la Rue contract. We have no present intention of extending that contract. All I say is that, if re-arrangements are decided upon by the Government and arrangements through private firms for the manufacture of stamps in India are not completed in time, the contract will continue to run under the operation of the clause in the contract which provides for its running on and termination at six months' notice. I suggest, Sir, that the House should remain content with what I have told them, namely, that by the end of this month or next month we shall have this report out from home. The whole question will then be discussed with full knowledge in that report and that report will be put up to a departmental Committee of the Commerce Department with a view to see what further action should be taken.

Mr. President: Does the Honourable Member move a reduction?

Dr. H. S. Gour: Yes, Sir.

Mr. President: Of one rupee or Rs. 100?

Dr. H. S. Gour: One rupee will do, Sir.

Mr. President: The question is:

“That the demand under the head ‘Stamps’—including expenditure in England—be reduced by one rupee.”

The motion was adopted.

Mr. President: The question is:

“That a reduced sum not exceeding Rs. 999 be granted to the Governor General in Council to defray the charges which will come in course of payment for the year ending the 31st day of March, 1924, in respect of ‘Stamps’.”

The motion was adopted.

DEMAND No. 5—EXCISE.

The Honourable Mr. C. A. Innes: Sir, I beg to move:

“That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment for the year ending the 31st day of March 1924 in respect of ‘Excise’.”

The motion was adopted.

DEMAND No. 12—INTEREST ON DEBT AND SINKING FUNDS.

The Honourable Sir Basil Blackett (Finance Member): Sir, I beg to move:

“That a sum not exceeding Rs. 22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1924 in respect of ‘Interest on Debt and Sinking Funds’.”

Sir Campbell Rhodes (Bengal: European): Sir, I notice in this demand that the question of Exchange enters very largely into the matter. My Honourable friend, Mr. Jamnadas Dwarkadas, recently asked a question of the Finance Member in regard to the sale of Council Bills and I should like to supplement that question by asking whether the Honourable the Finance Member has considered the point and, if so, whether he has arrived at any conclusion. The regulation of exchange operations, the sale of treasury bills and the provision of ways and means are all inextricably mixed together, and it seems to me wrong that while one of these three items is regulated in England, the other two are regulated out here, and that it would be in the interests of economy if the whole were regulated on the spot. Speaking last week in a small mofussil station I was careful to say not that the Council sales should be effected here in India but that they should be regulated, if not actually effected, in India. For I realise there are difficulties in the way of effecting Council Bills in India. There are two primary difficulties. In England there is one centre, London: here there would be about five. Also the Government of India would not care to part with money at one end until they received it at the other. But I see no objection to the actual regulation of the sale of Council Bills being effected in this country, and in fact I see very obvious advantages. I believe that the Government could so regulate their exchange operations as to get their money home at better rates and at the same time come to the help of the trade of the country when there was a tendency towards a rise.

Mr. Jamnadas Dwarkadas (Bombay City: Non-Muhammadan Urban): Sir, I support the motion made by my Honourable friend, Sir Campbell Rhodes, and in doing so I associate myself with the remarks that he has made. A few days back I put a few questions to the Honourable the Finance Member in order to find out who it was that controlled this policy of the sale of Council Bills, and when the answer was that it was the Secretary of State, who controlled it; I put a further question and asked him whether the Finance Department of the Government of India here was not capable of regulating the policy of the sale of Council Bills and why it was not done. The answer of the Honourable the Finance Member was "Well, it was obviously so because it has been so for a number of years." Well, Sir, Sir Campbell Rhodes has rightly pointed out that it will be to the advantage of this country to regulate and control the policy of the sale of Council Bills here at this end. There is one more suggestion that I was going to make, and I should like to know from the Finance Member if it is a suggestion that can be put into effect. If I understand rightly, the present method is to ask for tender in sterling value. If you could effect the same in rupees I think more advantage would be taken by the people of this country than by merely capitalists and banks. I do not know how far it is possible to arrange that, but if it is possible I think it would be of great advantage to the country.

Sir Montagu Webb (Bombay: European): Sir, if I understand this demand aright, it is purely to provide the money to pay for the skeleton forms of Government Promissory Notes. If that be so, might I put in a suggestion that while the Honourable the Commerce Member is thinking how to print stamps in this country, he might also take into consideration if it will be possible to print Government Promissory Notes also?

The Honourable Sir Basil Blackett: Sir, I shall be glad to convey to the Honourable the Commerce Member the suggestion which has been made.

I do not want to delay the House long on this general subject of Council Bills which arises presumably on this vote because a large item in the vote represents exchange on London. Sir Campbell Rhodes has repeated here some very interesting suggestions which he made in a speech in Calcutta a week or two ago, and Mr. Jamnadas Dwarkadas has also supported the general proposition that the Government of India should not confine itself to one method only of obtaining the sterling it requires, namely, the sale of Council Bills through the Secretary of State in London. This matter has been under consideration from time to time and I should like to make it clear to the House that the Secretary of State and the Government of India do not regard themselves as in any way confined to this one method of remittance. If occasion arises, they regard themselves as free to buy sterling in the market in India.

Sardar B. A. Dalal: Have they ever done so?

The Honourable Sir Basil Blackett: It has been done on occasion but not to any very large extent. The further suggestion that has been made was, I understand, not that there should be a change in the place at which Councils should be sold, but that there should be a change in the control or regulation. I think it is obvious that London has very many advantages as the place in which to effect Council sales. The method of Council sales has the great advantage to which Mr. Jamnadas Dwarkadas referred,

that it has been in force for a hundred years and is well understood and works fairly well in ordinary times. The possibility of adopting a system of tender in India is one which will not be lost sight of, but there are a good many difficulties and no very obvious advantages as compared with sale in London. I do not quite follow the suggestion that was made by Mr. Jamnadas Dwarkadas that we should do our transactions in terms of rupees. What is really done is that rupees are offered for sale in London. So long as your desire is to remit money to London, you must either offer rupees to be brought in London or offer to purchase sterling in India. That is simply the obverse of the same transaction. The question of regulation of sales is one to which attention will be given, but I think the House should not misunderstand the position. It is only a question of machinery. At the present time the Secretary of State does effect his operations in consultation with the Government of India, and it is only a question of emphasis, I think, and not a question of real change unless it is suggested that some other agency than the Bank of England should be employed.

Sir Montagu Webb: May I suggest, Sir, that the Imperial Bank of India be permitted to sell sterling at all times in India?

The Honourable Sir Basil Blackett: The matter will be considered.

Sir Deva Prasad Sarvadhikary: Sir, the sporting offers about laying a rupee down on the table are tempting. Whether I receive the offer or not, I should like if I may to leave out the word 'crore' in my amendment,* showing how generous one, without what Mr. Innes calls any responsibility, can be. It has been pointed out that this is only a vote for Rs. 22,000, and that not even for note forms but skeleton forms of notes. Incidentally therefore I desire to raise a question with regard to what is called service expenditure,—Provision for service of new loan. Well, Sir, as the Honourable Finance Member reminded us, though not a windfall, for the time being it was a great help to us that the whole of the provision for service as well as the whole of the loan were not necessary last year. There were thus some savings last year which reduced the deficit to a certain extent. This year, I believe, we stand on firmer ground than that, and it will not be a question of all the loan Government had intended not having to be contracted, but the Government loan being actually intended to be less this year. If my reading of the situation is correct, I should like to ask the Honourable Finance Member as to whether even now some appreciable reduction could not be made on the non-voted item, namely, in the provision for service of new loan,—both the rupee loan as well as the sterling loan. What are the facts of the case? Last year, I believe for the rupee loan Rs. 1,25,00,000 or thereabouts was provided. For a flotation of Rs. 46 crores the total expenditure was somewhere in the neighbourhood of Rs. 58 lakhs, giving service costs at about $1\frac{1}{2}$ per cent. This year our loan is expected to be Rs. 25 crores—and if the proposal for carrying Railway annuities to capital is given effect to—Rs. 26 crores. At $1\frac{1}{2}$ per cent. which is the figure for the last year, it would cost us about Rs. 32 $\frac{1}{2}$ lakhs. There is also a provision for 80 lakhs under this head, and if my reading of the situation is correct there will be a saving of something like Rs. 47 $\frac{1}{2}$ lakhs.

Then turning to the sterling loan, we are, I believe, in a similar favourable position; we are going to raise a loan, I believe, of £50 millions. That, on last year's figures, will cost us 87 $\frac{1}{2}$ lakhs according to the calculations that

* That the demand under the head 'Interest on Ordinary Debt and Sinking Funds' (page 33) be reduced by one crore." (As printed in the list).

[Sir Deva Prasad Sarvadhikary.]

I am mentally making. I take it that facilities in London are not less than here and if the expenses are $1\frac{1}{2}$ per cent. or, including brokerage at $1\frac{1}{2}$ per cent., even then the savings would be $37\frac{1}{2}$ lakhs. Between this $37\frac{1}{2}$ lakhs and the $47\frac{1}{2}$ lakhs on the rupee loan, something like 85 lakhs may be expected to be saved. One cannot be as sanguine as all that. But supposing half or nearly half of that was to our credit that would bring us 50 lakhs. Then there is another point of view—the question of interest for the broken period. Loans are not floated immediately; there is some saving of interest in the broken period if the loan can be floated in a suitable market, supposing here also we make a saving, altogether there will be a net saving that will be helpful to the present situation as there was last year. From this point of view, Sir, I desire to draw the attention of the Honourable Finance Member to the question and want to elicit an expression of opinion as to whether our point of view is reasonable or not.

Mr. President: The question is:

“That the demand under the head ‘Interest on Debt and Sinking Funds’ be reduced by Re. 1.”

Rao Bahadur C. S. Subrahmanayam (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, in addition to what my friend, Sir Deva Prasad Sarvadhikary, said, there is another point, and it is this. This figure on page 84—Rs. 47,50,000—is calculated at Rs. 10 to the £, whereas all other calculations are made at Rs. 15 to the £. The point was that last year when 47 crores of loan were raised in this country, the expenditure including all the charges and broken period interest were 58 lakhs. On that ratio this year it ought to be something less than 30 lakhs. Similarly on the sterling loan there should be an expenditure not exceeding 25 lakhs. So with these two savings and the saving in exchange, a substantial sum could be saved and that will go to reduce the deficit.

Mr. T. V. Seshagiri Ayyar (Madras: Nominated Non-Official): Sir, may I say a word as I have given notice of a similar motion? It is not a simple expression of opinion only that I expect from the Honourable Finance Member—I expect him to make a specific declaration as to how much, having regard to the facts placed before him, he is prepared to deduct from the amount which he has entered for service charges. There is only one other matter which I should like to mention and that is this: last year the amount of the rupee loan was, I believe, 47 crores; this year it is intended to float a loan only of 25 crores of rupees. If that is so, there must be a considerable reduction in the sum provided for service charges. Another item that has been mentioned is the amount of charges for a sterling loan—the amount entered is £485,000; it was 475,000 last year; it is £485,000 this year. As pointed out by my friend, Mr. Subrahmanayam, if you put it at the rate of Rs. 15 a £, there must be a considerable reduction and even if we

Mr. A. V. V. Aiyar (Finance Department: Nominated Official): There must be an increase.

Mr. T. V. Seshagiri Ayyar: I take it that you will have to pay about 70 lakhs if your calculation is correct, and I take it that if you float a loan at such a period as to make the intervening period between the time at which the interest begins to run and the time that the loan is subscribed

as short as possible, you will be able to make a great saving. The loan certainly should be floated in a manner that the finances of the country should suffer least. If you take all these considerations into account, I have no doubt you will be able to cut down the amount by something like Rs. 35 lakhs at least. I suggest this, Sir, to the Honourable the Finance Member so that he may cut down from this non-votable item at least Rs. 35 lakhs.

Mr. A. V. V. Aiyar: Sir, it is somewhat disheartening to find that when we are doing our best to reduce our expenditure, our action is used to our disadvantage.

Sir Deva Prasad Sarvadhikary: Not at all.

Mr. A. V. V. Aiyar: Last year we made a provision of 125 lakhs, and it is said that we spent only 58 lakhs, and that is the case. But I will take the House a few years back. In 1919-20 we floated a loan of 21 crores and we had to spend 131 lakhs on that, which amounted to 6 per cent. Similarly in England in 1921-22 we floated a loan of 17 million pounds, on which we had to spend 375,000 pounds. Obviously in a matter of this kind we should be guided by the conditions of the money market from time to time, and it is not desirable to tie Government down to any fixed dates within which loans may be floated, or fixed period for which interest should run in the first year. This is a matter in which Government should have as free a hand as possible, and I am sorry to say that after careful consideration we cannot see our way to accept any reduction under this head.

Mr. President: The question is:

“That the demand under the head ‘Interest on Debt and Sinking Funds’ be reduced by Re. 1.”

The motion was negatived.

Mr. President: The question is:

“That a sum not exceeding Rs. 22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1924 in respect of ‘Interest on Debt and Sinking Funds.’”

The motion was adopted.

DEMAND No. 43—STATIONERY AND PRINTING.

Mr. A. H. Ley (Industries Secretary): Sir, I beg to move:

“That a sum not exceeding Rs. 57,92,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Stationery and Printing, including Expenditure in England’.”

The motion was adopted.

DEMAND No. 34—COMMERCIAL INTELLIGENCE.

The Honourable Mr. C. A. Innes: Sir, I beg to move:

“That a sum not exceeding Rs. 2,13,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Commercial Intelligence’.”

Khan Bahadur Sarfaraz Hussain Khan (Tirhoot Division: Muhammadan): Sir, I beg to move:

"That the provision for Superintendent and clerks under sub-head 'Bureau of Commercial Intelligence' under the head 'Commercial Intelligence' be reduced by Rs. 80,000."

The amount budgeted for 1922-23 was Rs. 61,810, but in the current year the amount has been increased to Rs. 1,58,780. The first thing that I should like to know is as to why this increase has been made. Now the Retrenchment Committee say on page 214 of their Report:

"This Department was, no doubt, useful during the war when the Director had various duties to perform in connection with the supply of munitions and when it was considered inexpedient to publish any information relating to the movement of trade, but it is questionable whether it is now necessary to maintain an establishment on this scale for the purpose. In view of the necessity for retrenchment, we are informed that certain existing or contemplated activities of the department have been abandoned which will effect a saving in the current year's budget of Rs. 1,08,000 and of Rs. 1,59,000 in 1923-24. Whether Indian trade benefits to an extent warranting the expenditure which will still remain is open to doubt, and we recommend that further economies should be effected, increasing the saving to Rs. 2,09,000."

Further on, the Retrenchment Committee say:

"In view of all the circumstances we are of the opinion that the budget of the combined department should be reduced to Rs. 2,00,000, a reduction of Rs. 2,80,000 on the budget for 1922-23."

Therefore, Sir, in view of the fact that the Retrenchment Committee have recommended a reduction and also in view of the fact that an increase has been shown in the current year's expenses in this department for a Superintendent and clerks, I move that the budgeted amount should be reduced by Rs. 80,000.

Rai Bahadur Lachmi Prasad Sinha (Gaya cum Monghyr Non-Muhammadan): Sir, I beg to support the motion put forward by my Honourable friend, Khan Bahadur Sarfaraz Hussain Khan. Under the head Commercial Intelligence we were asked this year in the original Demand to vote for 2 lakhs 63 thousand. In the revised estimate which has since been issued we are asked to vote for Rs. 2 lakhs 13 thousand. But the proposal of the Retrenchment Committee was to reduce 1 lakh 59 thousand from the budget figure of 1922-23. Honourable Members will see this for themselves from page 214 of the Retrenchment Committee's Report. If that proposal had been accepted, the figure under this head would have come down to 1 lakh 57 thousand. Sir, the ultimate saving proposed in the combined departments of the Directorate of Statistics and Bureau of Commercial Intelligence was Rs. 2 lakhs 80 thousand—(page 215 of the Retrenchment Committee's Report), thereby giving them a sum of Rs. 2 lakhs only. So if we reduce the amount allotted to the Bureau of Commercial Intelligence by 60 thousand it will still leave a sum of nearly a lakh for that branch (1 lakh 57 thousand 5 hundred minus 60 thousand, equal to nearly a lakh). Further the actuals of 1921-22 of the Bureau of Commercial Intelligence as shown in the Demands is roughly 1 lakh 60 thousand whereas it has been raised to 3 lakhs 3 thousand in 1923-24 which is nearly double and the figure for pay of establishment, etc., was 47 thousand 9 hundred in 1921-22 which was raised to 96 thousand 7 hundred and fifty in the budget estimate of 1922-23 and which is now proposed to be raised to one lakh 82 thousand in 1923-24. So out of all these figures, if we reduce even this item of pay of establishment by 60 thousand rupees, it will still leave in the hands of Government 1 lakh 22 thousand which is also greater than the sum voted for last year.

Dr. Nand Lal: Sir, I have also got an amendment relating to this demand and happily I have now given some thought to and seen the literature on the subject. I have gone into it, so far as I could, and I have been driven to this conclusion that this Department is a most useful Department, so far as the commercial development of our country goes. I am sorry I sent in this amendment of mine before going thoroughly into the subject, and in the circumstances, which I have stated above, I do not now propose to move it. Besides I also feel constrained to oppose this amendment, now before the House, for various reasons. I would have put forward all these reasons had I the time, but unfortunately the Leader of this side of the House, I mean the Democratic Party, has prompted me to cut short, and therefore, to prove myself loyal to his command and in the interests of economy of time, I confine myself to this remark, that the arguments which have been advanced by my learned friend is untenable and if he would care to spend a little more time on the details, he will find it (his argument) to be incorrect. With these few words, I oppose this motion.

The Honourable Mr. C. A. Innes: Sir, I should like to say a few words in continuation of what Dr. Nand Lal said. I don't think my Honourable friends on the left have realised the true figures. The Inchcape Committee recommended that the two Departments be now combined into one and the budget estimate for the Commercial Intelligence Department and the Statistics Departments should be revised to a net figure of Rs. 2,00,000. The budget demand we have put up to the Assembly is for Rs. 2,63,000; that is to say, we are Rs. 63,000 in excess of the figure suggested by the Inchcape Committee. Like Dr. Nand Lal I regret very much the necessity of cutting down this Department. It is a very important Department for the Commerce Department of the Government of India. The Commerce Department of the Government of India spends most of the year at Delhi and Simla. It is quite essential that we should have a link between ourselves and the commercial centre of India, namely, Calcutta, and that is one reason why a commercial intelligence officer is extremely necessary. Then, again, that Commercial Intelligence Department exists mainly for the small manufacturer and small trader in India. Since 1913-14 the letters received by the Commercial Intelligence Department has increased enormously. These are nearly all inquiries from small traders and small manufacturers in India asking to be put in touch with markets. We have built up quite a big organisation, a big connection with the commercial sections of the various Consular offices all through the Empire. Well, most of that work now, I am afraid, must go by the board. We could not show any direct return for the money we spent. Nor are we going to show that, because it is not our business or our practice to follow up our advice. We merely try to bring these small men into touch with outside markets. And then, again, this Department supplies us with statistics we require, not only with sea-borne statistics but the other kinds of statistics. We shall have to restrict these statistics drastically and that is what we are now engaged in doing. But we recognise that in these days the most important thing is to balance the budget, and we are doing our very best to carry out the recommendations of the Retrenchment Committee. But, for the coming year, we have not been able to carry them out, and that is for various reasons. In the first place, we have to see which of our statistics we can get rid of with the least disadvantage. In the second place, there is the usual lag to be accounted for. For instance, if this reduction were carried out, the first thing I should have to do would

[Mr. C. A. Innes.]

be to retrench at once and without any notice at all an officer who has served the Government of India faithfully for the last 30 years. As he is to retire in December, we propose either to retain him or to give him leave till December and I am quite sure that the House will want us to treat the men whose appointments are being retrenched with consideration of that kind. The House may rest assured that we are doing our best to carry out these retrenchments. If we have not been able to come up to the exact budget figure recommended by the Inchcape Committee, it is because we have not had time in a complicated Department fully to explore all the avenues. In these circumstances, I hope the reduction will not be accepted by the House.

Mr. President: The question is:

"That the provision for Superintendent and clerks under sub-head Bureau of Commercial Intelligence under the head 'Commercial Intelligence' be reduced by Rs. 80,000."

The motion was negatived.

Sir Deva Prasad Sarvadhikary: The Honourable Mr. Innes joining forces with Dr. Nand Lal will vanquish anything. I would rather withdraw my motion which ran as follows:

"That the demand under the head 'Commercial Intelligence' (page 99) be reduced by Rs. 1,00,000."

Babu Braja Sundar Das (Orissa Divisions: Non-Muhammadan): Sir, the object of my moving this motion is this. The Retrenchment Committee have recommended a big cut in this very useful Department of the Government of India, and it is to bring to the notice of the Government my disapproval of the recommendations of the Inchcape Committee in this instance that I brought forward this amendment and I think that the Government of India should not agree to the recommendation of the Inchcape Committee at least in this direction and make this Department as useful as it could possibly be for the industrial and commercial development of India. With these few words, with a view to economy of time, I move my motion.*

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Sir, I wanted some information from the Department and I hope my Honourable friend, Mr. Innes, will enlighten me. Sir, I live very near this office called the Commercial Intelligence Department in Council House Street, Calcutta. I do not know much about it but I have seen that there are a number of rooms and a large number of European high officers going there. I do not see many Indians amongst the officers going there. I find some of them are in *italics* on page 99 under Demand No. 34—Commercial Intelligence and they are non-votable. But there are some items, for instance purchase of furniture, Rs. 1,500, and service postage and telegram charges, Rs. 15,000; I do not know what are the particulars—how many messages and of what description are sent that we shall have to incur Rs. 15,000 within 12 months. I do not know if there is any necessity for incurring the last item on the next page—page 100—other contingent expenditure—and there are also postage and telegraph charges. There are thus two items. I do not know what the second item for Rs. 5,000 is for. This is a second item

* "That the demand under the head 'Commercial Intelligence' (page 99) be reduced by Rs. 100."

on a similar subject giving another Rs. 5,000 after the first item of Rs. 15,000. I ask whether my Honourable friend Mr. Innes will enlighten us for the benefit of the country.

The Honourable Mr. C. A. Innes: Sir, Mr. Ahmed has omitted to notice that this year we have combined the Department of Director of Statistics and the Commercial Intelligence Department, and no separate provision at all has been made this year for postage and telegram charges. It is all shown under the head Commercial Intelligence, Rs. 15,000. The reason why it is rather large is that the Commercial Intelligence Department is in the habit of sending Home a weekly cable to the city of London summarising the trade prospects in India. The discontinuance of that telegram is under consideration and Mr. Ahmed may rest assured that these telegram charges will be brought under very careful scrutiny in order to effect the retrenchment recommended by the Inchcape Committee.

Mr. K. Ahmed: What about purchase of extra furniture and other things I have stated?

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

Mr. President: The question is:

"That a sum not exceeding Rs. 2,13,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Commercial Intelligence'."

The motion was adopted.

DEMAND NO. 44—MISCELLANEOUS.

The Honourable Sir Basil Blackett: I move:

"That a sum not exceeding Rs. 21,23,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Miscellaneous'."

Khan Bahadur Sarfaraz Hussain Khan: I beg to move:

"That the provision under sub-head Miscellaneous and Unforeseen Charges under the head 'Miscellaneous' be reduced by Rs. 1 lakh."

My simple reason is that in the year 1921-22 the Miscellaneous and Unforeseen Charges came to Rs. 83,160. In the year 1922-23 the budget estimate was Rs. 3 lakhs. And it is again Rs. 3 lakhs for the coming year. I do not see why in the present financial condition it should not be reduced. It is stated here "Miscellaneous and Unforeseen Charges". Miscellaneous is a thing which covers many items. We do not know what the unforeseen charges are. It is in this view that I would like to move my amendment.

The Honourable Sir Basil Blackett: Sir, the actual expenditure in 1921-22 under this head was Rs. 60,45,000 including the non-votable items, against a figure of Rs. 47,45,000 which we ask for the coming year; that is a reduction of 13 lakhs. The Honourable Member's suggestion therefore that there has been an increase over the actual expenditure of 1921-22 is based on some misapprehension. As regards the details of this vote they are set out fairly fully on pages 149 to 152 of the book. They are, as the Honourable Member says, of a miscellaneous character. All the large provisions included are identified there. We are of opinion that the sum

[Sir Basil Blackett.]

we ask for is necessary for the purpose of carrying on the ordinary administration. I do not think that because the Budget estimate for this current year is rather less than what we want now, it is possible to say that we can carry on next year on a figure less than the figure we have here put down. I have more than once informed the House that we have introduced estimates showing the lowest possible figure, in some cases I fear too low, on the expectation that we shall work down to it—I do not say that particularly applies to this estimate but I do not think that there is any item in this estimate on which we can save unless we cease to carry on some particular service, and if the House wishes for reduction I suggest it is only by pointing out the particular items on which we can say that in this case there is any possibility of saving money.

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

Munshi Iswar Saran (Cities of the United Provinces: Non-Muhamadan Urban): Sir, I have the honour to move:

“That the provision for ‘Public Services Commission’ under head ‘Miscellaneous’ be omitted.”

So far as this question is concerned, the attitude of the Assembly is perfectly clear. We gave expression to our strong disapproval of the Commission on a previous occasion. It will be in the recollection of the House that there was no division called and I may take it that that motion was carried, if not unanimously, of course not unanimously, at least by an overwhelming majority. For the purposes of this motion I need not suggest for a moment that there may be no grievances of the Indian Civil Service or of any other service but we do most seriously and strongly object to the appointment which has been made I shall not say in defiance of but in opposition to the practically unanimous opinion not only of this Assembly but of Indians outside this Assembly. It is of no use for us to try to know what the view of the Government of India is in this matter because the Honourable the Home Member said on the previous occasion that he would not disclose the correspondence that has passed between the Government of India and the Secretary of State and the view that the Government of India held on this question. He said that any such disclosure would be against all precedent and against the usual practice of the Government of India. I only need refer to the assurance given by Government on the floor of this House so far as the question of emigration was concerned. Government said that it was trying to do all that it could to see that the position of Indians overseas was improved and that all their legitimate grievances were removed. Might I say in passing that it would have been well if Government had also on this occasion given us an indication of its own attitude in this connection but as it pleases Government not to disclose its own view, I do not think any useful purpose will be served by my asking Sir Malcolm Hailey to say what is the correspondence or what is the nature of the recommendation made by Government. Sir, I have not forgotten and indeed those Honourable Members who will support my motion have not forgotten that there is every chance, I had almost said certainty, that if this motion is carried, Government is going to restore this item. Sir, this is really a serious and important question and I can assure the House that those of us who have made up our minds to vote for this amendment have not done so without giving their best and most serious thoughts to this aspect of the matter. But, Sir, when we find that the Secretary of State and the authorities in England will persist in a course

of action against the practically unanimous wishes of the people, then it is the clear and bounden duty of the House to say "No" to it. Our position is this. We will have nothing to do with the step that you have taken. The responsibility is yours. You do whatever you please. Sir, it is a subject on which one can speak very strongly but I refrain from doing so for the reason that our views have already been fully expressed on the last occasion and I dare not taken more time in view of the guillotine at five o'clock this evening. I therefore move this amendment and I hope that the House will by an overwhelming majority carry it, because any other course will be inconsistent with the position adopted by us on the last occasion and I say that it is up to us to be consistent and to show that as far as this Commission is concerned our dislike of it, our disapproval of it has not diminished one bit. My Honourable friend Mr. Jammadas Dwarkadas was perfectly right the other day in what he said at the time of putting questions. "Is Government aware that our disapproval of this Commission continues undiminished?" I venture to say that Mr. Jammadas gave expression to the views of a great many of us present in this Chamber and of a very large number of people outside it. I beg to move my amendment.

The Honourable Sir Malcolm Hailey (Home Member): It would be well I think that I should attempt to forestall other speakers, because I wish to put to the House certain considerations on this question; they may not perhaps affect what they feel on the subject of the Royal Commission, but I hope that they will affect the attitude of the House on this particular vote. Mr. Iswar Saran was correct enough in saying that the attitude of the House when we previously discussed this question was unmistakable. It left us in no doubt of the fact that the majority of the House did then, and on that occasion, feel that a Royal Commission should not have been appointed. Now, let me disclaim any desire to go again into the merits of the question as it stood then. But we have since published the terms of reference. This much at all events you will allow me to say, that the terms of reference prove that those of us who then spoke in justification of the appointment of a Commission were correct in forecasting that it would have a much wider scope and one more interesting to India at large than was at the time anticipated in the press in India, and indeed was anticipated in this House. We are told, however, by Mr. Jammadas and by Mr. Iswar Saran that since the publication of the terms of reference no change has taken place in the view held by the majority of the people on the subject of a Commission. That is not true of the press; there has been more than one signal convert, but on the facts let me say this that after all it might be worth while for us to pay something to get a solution of the following question:

"The possibility of transferring immediately or gradually any of their present duties and functions . . ."

that is, the duties and functions of the All-India Services,

"... to services constituted on a provincial basis."

Believe me, if we get a satisfactory solution of even that question it would be very well worth the three lakhs we propose to spend on the Commission. Then again if we should get a satisfactory solution of the question of the recruitment of Europeans and Indians respectively, for which provision should be made in the constitution established by the Government of India Act, that again might from any point of view be worth very much

[Sir Malcolm Hailey.]

more than the three lakhs we propose to spend. Now, that is as much as I shall say on the merits of the question, for I feel strongly, that everything that has been said here on the merits of the question itself has found its answer, and an ample answer in the terms of reference.

But, I wish to put another aspect of the case to the House, more appropriate to the occasion. We are preparing a Budget in which we place such expenditure as we believe to be necessary and unavoidable, and we ask the House to vote supply accordingly. In the process of discussing the demands for supply, the House on many occasions points out to us directions in which it thinks that the whole or a part of that expenditure could be avoided and other expedients adopted; in other words, it indicates directions in which money might be saved; and if it fairly convinces itself that money can be so saved, it is entitled to demand that a reduced provision should be made in our account. But here we have a case in which we know that the expenditure must be incurred. The House may say that they regret it, and that they would very much rather that it had not come about; they may reiterate that they would have preferred a different form of inquiry to solve their problems, which they admit require solution; nevertheless they know as well as we know that this expenditure cannot now be avoided. They may not like the origin of the Commission; but they must recognize the fact that under the orders issued by His Majesty's Government the Commission will be appointed, and has to be financed. Now, when we are faced with unavoidable expenditure of this type, can we reasonably refuse supply for it? If supply is refused, it simply comes to this, that though there is no provision in our accounts, yet the money must be spent and the House will be in the position of refusing to allow the provision in our Budget of expenditure for the avoidance of which they can suggest no practical expedient. It is not, therefore, on this occasion a mere question of expression of opinion, or, if I may put it that way, of resentment; on this occasion, it is merely a question of provision of money for unavoidable expenditure. May I take a domestic analogy? Nobody likes paying income-tax. There are few people who show a glow of satisfaction when they receive their income-tax returns. And yet in drawing up your domestic budget, would you allow your dislike of the tax to prevail to such an extent that you would refuse to take cognisance of the fact that you had to pay? Would you arrange the scale of your expenditure on the supposition that this demand should not be made and therefore would not be met? That is an exact enough parallel.

Dr. H. S. Gour: Do votable items of the Budget stand on that analogy?

The Honourable Sir Malcolm Hailey: Though this is a votable item, it is clearly enough unavoidable, and I say it is not a reasonable attitude for this House to take up that it ought not to be included in the account. Taking the matter on a broad and common-sense view, I say that in these circumstances it is not possible in reason to refuse, merely on a point of like or dislike, to allow this item a plea in the Budget. If it is a question of expressing feeling that has already been taken, here we are merely on a question of providing money for unavoidable expenditure. Indeed, whatever I may feel as to the wisdom of the former vote taken by the House, I can go so far as to say that by allowing this item to stand it does not in any sense whatever commit itself to any change of its feelings

on the subject of the Royal Commission. I have myself every confidence that when that Commission is appointed, when the House sees its personnel, when it gets to work, a great change of feeling will take place. I remember well the criticisms in this House on the subject of the Inchcape Committee; I remember how in Simla I was made the target of questions and objections regarding its composition, and regarding its sphere of operation. The attitude now is completely changed; there are few who do not welcome its results. I believe myself that the House will in time come to welcome the results obtained by the recommendations of this Royal Commission, but for the present I confine myself to saying this, that by allowing this item to stand in the Budget, the House does not necessarily indicate to be public that those who have before been opposed to its appointment have changed their view. And the House can therefore, in spite of what Mr. Iswar Saran said, with perfect consistency with its former opinion, allow this item to stand.

Mr. Jamnadas Dwarkadas: Sir, it is really a matter of regret to me that in this respect I cannot agree with the views expressed by my Honourable friend Sir Malcolm Hailey. There was a little bit of heat shown yesterday by some speakers, and in answering the arguments advanced, my Honourable friend Sir Malcolm Hailey refused to accept as a compliment the statement that nothing was meant against the individual Members of Government. I want the Honourable Sir Malcolm Hailey to believe me when I say, and I say it in all sincerity, that in opposing this grant of 3 lakhs of rupees for the Public Services Commission we have nothing absolutely to say against not only the personnel of the present Executive Council, but also against the Government of India as it is at present constituted. But despite all that my Honourable friend has said in support of the Assembly voting a grant of Rs. 3 lakhs, I feel convinced that the Assembly will be stultifying itself if it takes any other course except the only consistent course it can take, and that is, it should refuse to vote this sum of three lakhs. My Honourable friend says, "You have already expressed your opinion, you condemned the appointment of the Royal Commission, now when it comes to voting the money, even if you vote this money your opinion will be on record that you have condemned the appointment of the Commission." Let us consider what that means, that when it came to expressing your view with regard to the appointment of the Commission in words, in talk, you were prepared to condemn it, but when you were called upon by the exercise of the power that is vested in you to mark your approval or disapproval of the step taken by His Majesty's Government, you failed to put your intention into practice,—you refused to exercise the vote that you had, and you voted away the country's money for the appointment of this Commission. Is this House prepared to place itself in this stultifying position? After all it is not the talk that counts, it is the exercise of the power that you have over money, although in a limited sense, that is of real significance; and the only significance that will be attached to our inconsistent attitude on this occasion will be that perhaps the terms of reference announced later on by His Majesty's Government have won a few votes from the other side to the side of the Commission. If you analyse the speech of the Honourable the Home Member, you will find that the danger is great. The Honourable the Home Member has referred to the terms of reference. He has expressed his own opinion that the terms of reference are wide enough, that they are wider than was contemplated by the Members of this Assembly. If we took a different attitude from what we took when we

[Mr. Jamnadas Dwarkadas.]

were discussing the question of adjournment I believe that the interpretation of that attitude will be this that, having seen the terms of reference, we have changed our opinion and veered round to the view that the appointment of the Commission is not only necessary but wise. I say that, if this House is prepared to endorse that opinion, it is entitled to vote these Rs. 3 lakhs; but if the House, in spite of the publication of the terms of reference, sticks to its opinion that the Commission is not necessary, that the appointment of the Commission is not wise, and that the Commission is being appointed in the teeth of the opposition of the sensible element of the people of this country, then this House can take no other step than to refuse to vote the Rs. 3 lakhs that are asked for. What will be the effect? The Honourable the Home Member says that the expenditure is unavoidable and that, therefore, you have to vote it. How is it unavoidable? The House has the power to vote this money. If we refused to vote it, if events took their natural course, this Commission would, even at this stage, not be appointed. But I can see what the Honourable Member means. He means that, His Majesty's Government having appointed this Commission, even though the House refused to vote the money, the money will be provided by the only course that is open to His Excellency the Governor General to take, namely, by certifying and restoring the grant. Well, Sir, if His Excellency the Governor General and the Government of India are prepared to take that course in the teeth of the opposition of not only this House but also, if I may say so, in the teeth of the opposition of the whole of the people of this country, let the responsibility of doing so rest on their shoulders and not on our shoulders. We are here, after all, to represent our constituents and are responsible to them. How can we take any course which, in our honest opinion, is not calculated to do good to the constituents whom we represent here. If you do not agree with our opinion, and if you think that this is an item which needs to be restored by the extraordinary power that is vested in His Excellency the Governor General, you are free to do so, but you will do it on your own responsibility and you will not throw the responsibility on our shoulders. I ask the House to adopt the only course that this House in consistency and out of self-respect can adopt, namely, to refuse to vote the grant.

Lieut.-Colonel H. A. J. Gidney (Nominated: Anglo-Indian): Sir, I admire the man who has the courage of his own conviction and holds it. But after we have heard what the Honourable the Home Member has said, I do not admire the courage of my Honourable friend Mr. Jamnadas Dwarkadas in upholding his former conviction and opposing this motion. When this subject was discussed some weeks ago in this House, I think I was the only member who supported the appointment of a Royal Commission. Sir, I have got the permission and the support of the Leaders of many minority communities in this Honourable House in what I intend saying now, in so much that we support the appointment of this Royal Commission to India. Sir, when I last supported this, Mr. Jamnadas got up and twitted me for suggesting that it was quite possible that one of the terms of reference of this Commission would be to consider further Indianisation of the services. It might have seemed to Mr. Jamnadas an absurd suggestion but it was quite a possible one, and I repeat in the hope that it might tempt Mr. Jamnadas Dwarkadas to agree to this Commission; though I see he is still determined to oppose it.

The Honourable the Home Member has told us, in fact most Members of the House have already seen, the terms of reference; and no one here, I am sure, will doubt that they are very wide in nature and include many important matters. In fact, it embraces more subjects than we originally thought the Commission would do and I am not at all sure, Sir, that it may not lead to expedition in Indianisation of the services, to use the word 'Indianisation' in a very generic sense.

Mr. N. M. Samarth (Bombay: Nominated Non-Official): Including Anglo-Indians!

Lieut.-Colonel H. A. J. Gidney: Yes, including Anglo-Indians. Sir, when this Royal Commission was formerly discussed, pointed and repeated reference was made and quite rightly made regarding the I. C. S. amongst whose members great uncertainty exists regarding their future. There is no doubt, Sir, that the I. C. S. man who enlisted in 1913 does not like the India of 1923. There is also no doubt, Sir, that the India of 1923 does not like and does not much want the I. C. S. man of 1913. But the I. C. S. man who comes to India from 1923 onwards wants to know what India will be like in 1929 or 1933, because he wants to know what his terms of appointment will be. There is no doubt, Sir, that the Indian Civil Service is to-day not recruiting the type of man it did originally, and it is a doubtful matter whether it would not be better to let India recruit the best of her own men instead of the third or fourth rate men from England.

This Commission will also consider the advisability of short service for future I. C. S. appointments so that India can, in its transitional stage, still get the best that England can give her for the administration of this country. Now, Sir, the Honourable Sir Malcolm Hailey referred just now to the advisability or possibility of provincialising all the Imperial Services and which I think every Member of this House was pleased to hear though Mr. Jamnadas called it a "bait." In this Honourable House we hear a lot said about the Services not being properly Indianised or not being done at a quick enough pace. Well, here is a Commission that will possibly help you in getting a quicker pace on—or at least, in provincialising the various services; and yet we hear Honourable Members objecting to this Commission.

Well, Sir, whatever the composition of this Committee is—I however hope the minority communities are represented on it—I trust that one of the subjects that will be seriously and thoroughly discussed will be communal representation in the various services. This I submit should constitute one of its most important terms of reference, and on this matter alone I feel sure this Commission will be welcomed by every member in this Honourable House who belongs to a minority community or to a politically backward community.

Sir P. S. Sivaswamy Aiyer (Tanjore *cum* Trichinopoly: Non-Muhamadan Rural): I have had very considerable difficulty in making up my mind on this question, which is one upon which it is by no means easy to come to a conclusion. At the outset I should like to state that I am by no means enamoured of this machinery of a Royal Commission which the Secretary of State has proposed to set up for the purpose of enquiring into the questions indicated in the terms of reference. That does not mean that I ignore the existence of grievances on the part of members of the Indian Civil Service regarding their condition. It does not mean that I admit that there is no ground for an enquiry. I should have very much

[Sir P. S. Sivaswamy Aiyer.]

preferred any enquiry of that sort to be conducted by a body appointed by the Government of India itself. There is a growing feeling of dislike of any dictation from outside India to the Legislature here in India; and there is a feeling that at the bottom of this decision to appoint a Royal Commission there is a certain amount of want of confidence in this Legislature. That accounts, I believe, for the feeling of irritation which has been displayed by the members of the Assembly. I should therefore have preferred to employment of some machinery which would not have offended the susceptibilities of this House. Now, Sir, with regard to this question of the grant for this body, two courses have suggested themselves to me as worth considering,—whether we should carry the disapproval that we expressed on the last occasion to the point of voting against the grant, or whether we should reaffirm our disapproval by giving an unmistakable indication that we do not take any responsibility for the decision to impose this burden of three lakhs upon this country. I am aware of the existence of a strong feeling in the House against the allowance of this demand for the expenses of a Royal Commission; but at the same time I feel that we should not give any occasion to the Secretary of State to exercise his power of interference and suggest to the Government of India the restoration of the vote against our decision. That is a course which I dislike intensely and I should prefer to avoid giving any occasion for the exercise of that power of restoration of the demand over our heads. Again there is another circumstance which weighs with me to some extent, and that is, that the rejection of this demand may probably create an atmosphere of bitter prejudice against us in England. On the one hand consent to this demand will create prejudice against us in this country; on the other hand the rejection of this demand will probably create an atmosphere of very strong prejudice against us on Parliament and on public opinion in England. With all these various considerations present to my mind, the course which seems to me to be the best to adopt in the circumstances is to refrain from voting, leaving it to the official element in the Assembly to pass the demand on their own responsibility. If the non-official members of the Assembly as a body refrain from voting and make it clear that their abstention is due to the disapproval of the particular machinery which the Secretary of State has chosen to employ, I think it cannot be charged against us that we have changed our attitude or that we have in any indirect way expressed our approval of the appointment of this Royal Commission. Speaking for myself, I should rather refrain from voting than vote against the grant, and if other Members of the Assembly approve of my suggestion, I hope they will also refrain from voting, leaving it entirely to the officials to carry out the mandate of the Secretary of State.

Captain E. V. Sassoon (Bombay Millowners' Association: Indian Commerce): Sir, the feeling of the non-official portion of this House as regards this question of the Public Services Commission has been stated to be the willingness of India to look after her own services. I agree with that feeling. I think that we should look after our own services and that it should not be necessary for a Commission to be sent out from Home to put any grievances right. But, Sir, before we express our objections in any case,—shall I say very particularly and virulently against the appointment of this Commission,—we must first feel sure that we have done all that is possible in looking after our own services.

Mr. Jamnadas Dwarkadas: We are ready to do it.

Captain E. V. Sassoon : Mr. Jamnadas says we are ready to do it. I ask, have we always done it? Now, Sir, I have an amendment later on in the paper on the question of the police which I will move if the guillotine does not fall before it comes up. I hold in my hand here a pamphlet which has been issued by the Indian Police Association and issued not in India, but in London. This pamphlet puts forward grievances which the Police state they are suffering under, and I must admit that on reading through the pamphlet and with my own very slight knowledge of the conditions in this country, I think there is a great deal to be said from their point of view. This pamphlet refers people desiring extra information to the Secretary in Pall Mall. Now why does the Indian Police Association find it necessary to state their grievances in London and not in Delhi? They say in their preface, "because they cannot obtain the redress by departmental action and they have no means of ventilating their grievances." Sir, this pamphlet reached me on last Saturday. I cannot help feeling that if it had been universally known that this Assembly was prepared to ventilate the grievances of any of the services, that before taking the trouble to circulate this pamphlet in London, we should have had these grievances put before Members of this Assembly. And, it is because there is widespread ignorance in the services in regard to this point, that they feel it necessary to go to the Secretary of State, and I think that it would be inadvisable for us to express any very violent opinion against the appointment of this Commission, because the supporters of this Commission might say: "If you had actually carried out what you say you are prepared to carry out, why do we have pamphlets like these circulated in London?" Sir, that is why I hope that there will not be a very violent expression of opinion as regards this Commission. But I equally hope that this Assembly will advertise as widely as possible that, if we have not ventilated the grievances of any of our services, it is not because we are not prepared to do so, and we would welcome any opportunity for doing it they will bring forward their grievances.

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

The Assembly re-assembled after Lunch at Fifteen Minutes Past Two of the Clock. Sir Campbell Rhodes was in the Chair.

Mr. T. V. Seshagiri Ayyar : Sir, I was surprised to listen to the speech of my friend Captain Sassoon on this subject. He seemed to suggest that simply because some of the service men have chosen to ventilate their grievances in England, therefore, we must take it that they have no confidence in the Legislature and that we should abrogate our functions and proclaim to the world that it is better that some outside agency undertakes to redress their grievances. Sir, if this is to be carried to its logical extent, the Government of India in this country cannot be carried on for a minute; I am surprised that a shrewd business man like the Honourable Captain Sassoon should have indulged in an argument of that kind. Sir, so far as my Honourable friend Sir Sivaswamy Aiyar is concerned—he will pardon me for saying it—he seemed to be thinking aloud all the time that he was speaking and I doubt very much whether his thinking aloud had come to an end; and whether he had reached the stage of conclusion; he has

[Mr. T. V. Seshagiri Ayyar.]

not given any clear lead upon a matter of this kind. If he had been clear and had given his time and attention to the subject, I would be the first person to agree with him. But I am not convinced from the way he spoke that his thoughts had materialised and that he had come to any definite conclusion on a matter of such grave importance. Sir, I am under no illusion as regards the result of any adverse vote upon the Government in this Assembly. There is no doubt that the Viceroy would certify or restore; because a Commission has been resolved upon and it is only the question of personnel that remains to be settled. It is not to be expected that the Government of India would say "Find the money in Parliament or somewhere else". They will have to find the money and the Governor General will have to certify. That is not the matter which concerns us. The question is, shall we be true to ourselves if after having passed a vote of censure the other day, we to-day say that we shall allow Government to do what they like, and that we shall express no opinion upon the question at issue. As Mr. Jamnadas has pointed out, I think we would be stultifying ourselves if we take up that attitude. It is not a question of our being heroic. It is a question of our being true to ourselves and it is a question of dignity and self-respect after having passed the vote we did the other day. Sir, the Honourable the Leader of the House spoke about the merits of the case. I am not going into it, but may I ask Government what their feelings are on the subject? Having sent out the O'Donnell Circular and seeing that the present Commission will make it unnecessary to consider the replies to that Circular and to come to a decision, I ask what is their feeling in regard to this matter. Have they not been snubbed by the Home Government, and do they not owe it to themselves to resent this indignity which has been put on them? It is desirable that the Executive Government should have the confidence of the people and what confidence can the people repose in them when they find that every one of their acts is being turned down by an authority far away from India. I am anxious as far as possible to avoid a conflict with the Executive Government. I would have gone a great way to avoid that conflict, but, Sir, if it is a question of losing our own honour, losing our own dignity, I do not think that we should mind any conflict which may arise in the matter. A suggestion has been made that if we cut down a rupee from the whole demand we would be equally effectuating the purpose which we have in mind. With all deference to those from whom this suggestion has emanated I must respectfully demur to such a course. Sir, we already expressed our disapprobation of the idea of appointing a Commission when we moved for the adjournment of the House. We then unmistakably showed to the Government that we did not like the procedure adopted in England it was really a vote of censure that was passed. That has already been done. Now comes the question whether we should vote the money for a Commission which we do not want, which we have protested against; and this is the only opportunity we have of carrying out in practice the conclusion which we reached the other day. This is the occasion. The question of voting funds is entirely in our hands subject to any control as to certification which the Governor General in Council may possess. Now, are we going to be frightened by the fact that there is going to be certification? If we do that we will not be true to ourselves, and in order that we may be consistent and that the dignity of this House may be maintained I hope that the non-official Members of the House would stand by what they did on the last occasion and vote against this grant.

Mr. N. M. Samarth: Sir, I formally propose an amendment to the effect that the grant be reduced by one rupee.

In spite what has fallen from Mr. Seshagiri Ayyar that this would not mean our giving effect to our condemnation of the appointment of a Royal Commission in the teeth of the opposition of this House . . .

Munshi Iswar Saran: I rise to a point of order, Sir. No notice having been given of this amendment I beg to object to it.

Mr. N. M. Samarth: As to the point or order, having regard to what happened during the debate there is no notice required of an amendment to an amendment and I can propose it on the spur of the moment.

Mr. Chairman: It is objected to. I am afraid the Honourable Member is not in order.

Mr. N. M. Samarth: If that is so, I have no option but to oppose the view of those who are asking that the whole vote be disallowed. I may say that on the day the adjournment took place I voted with those who were in favour of the adjournment. At that time the terms of reference were in a state of flux. Now the terms of reference of that body are out. I am a robust optimist and not an impotent pessimist and I think that difficulties exist in order that they may be surmounted and not in order that you may be daunted by them. The terms of reference are there and they include to all intents and purposes the issues which were raised in what is known as the O'Donnell Circular. Is it possible that the Government here can determine the issues satisfactorily acting by themselves the issues which were raised in what is known as the O'Donnell Circular? It must be a body deriving its authority from Parliament in order that the ultimate decision of it may be binding both upon the Government of India and the Parliament itself. And nothing but a Royal Commission could really be appointed in order that those issues, namely, the issues involved in the increasing association of Indians in every branch of the administration may be satisfactorily decided. When the question of adjournment was moved, these terms were not before us and the terms now include this item. This is one of the principal items in the terms of reference. Another point to which the Honourable the Leader of the House referred is this. The question which has been agitating us ever so long is the question of the all-India services. The Members of those services go to the provinces. Take the Indian Medical Service, for instance. The Medical Department is a transferred department in a province. Now is that officer to be under the control of the Minister who is in charge of that department or is he not? All these questions will have to be gone into and the provincialisation of the different services will have to be determined. Take, for instance Bombay. Bombay is a comparatively rich province. It may afford to give higher salaries than Bihar and Orissa, or for the matter of that the Punjab or the Central Provinces may. We may engage our technical experts and our other Officers on any salaries that our resources can afford and we can progress. That is also a matter which will have to be decided. I do not think that those who say that we should be consistent are alive to the importance of the terms of reference as they are. Again, some think that nothing will come out of this Royal Commission. On the contrary, a man of my temperament says, "Very good, whatever the personnel may be men of my type and others of my type and of my way of thinking will go

[Mr. N. M. Samarth.]

and fight our cause before that Commission and we shall present our case in the best possible way." Sir, this attitude of pessimism and importance is an attitude which does not appeal to me. As I have said, if you do not accept the reduction of the amount by one rupee, there is no course left for me but to vote for the grant. Now the position of Government is this and the position of this House is this. Whatever the view of the Government might have been at the time when the Commission was going to be appointed only with a view to inquire into the grievances of the Services, it must be said to the credit of the Government of India that they saw that the terms of reference must be widened and the terms have accordingly been widened. Now there is the grant of 3 lakhs, whether you pass it or not. Place yourselves in the position of Government. Do not divest yourselves of the responsibility of those who are in office. They have to find the money, willingly or unwillingly, *volens nolens*, for the Commission which has been appointed by His Majesty's Government. What are they to do? You say you merely decline to grant it. By your declining to grant it, you are not going to do anything which will bring relief to yourselves but which will merely stultify the Government of India. I do not think it is practical politics to do anything of the kind and I, therefore, oppose this motion.

Sir Deva Prasad Sarvadhikary: Sir, I should have been pleased to follow Mr. Samarth, the whip of my party, to the Lobby, as is my duty—when I do not happen to feel the other way, I would have done so, if he had been permitted to move the proposed reduction of Re. 1. But that having been disallowed and he having expressed determination in the alternative of supporting the grant, his and my way lie apart in this matter. If the condemnation that could be conveyed by the reduction of a rupee is not allowable the House in my judgment has no other course left open but to oppose and solidly oppose this grant. I do not think, Sir, that the speech of the Honourable the Leader of the House or the early publication of the terms of reference have helped to clear up the situation at all. On the contrary, it has certainly added to my difficulties. If there had been a motion at the instance of the Governor General for increasing the sum provided (Rs. 3 lakhs) to the amount that the last Public Services Commission had cost, I should have understood the situation. Undoubtedly the terms of reference have been expanded and that itself carries with it the augmented difficulties of the situation. The expansion of the terms of references will not satisfy those for the removal of whose grievances the Commission was in the first instance conceived. We have had many warnings about that in the press that represents their views. They say if the scope of work of the Commission is going to be as wide as the terms of reference show and if the Commission is not coming to India till the next cold weather, they do not want to have anything to do with it but would prefer direct action that they contemplate. In the meantime we have had an expression of opinion from responsible men like Mr. Seshagiri Ayyar that when the Commission comes people should give it the widest possible berth. As I said on a previous occasion, I have no sympathy with that attitude, and when the Commission does come in spite of public opinion it will be up to us to give it all possible help. But that is another story. Sir, if the entire question of provincialization and Indianization of the services is to be taken up it will be a much larger work. The last debate on the subject here in this House must have helped in widening the terms of reference, which is a gain so far as

it goes. If however all that is to be done, the somewhat sneering allusion of the Secretary of State or Under Secretary of State, I forget which, to Lord Islington's criticism as to the time likely to be taken by the Commission and the cost—the sneering reference to Oriental delay of the last Public Services Commission—no longer holds good. The time that will be taken, the money that will be spent, will be nearly as much as if not more than the Islington Commission cost and a large portion of the report of that Commission is now reposing on the upper shelf. There is no finality with regard to these Commissions. Commission after Commission comes; one recommends, the other condemns; Government criticises and defers action; those affected also criticise. I have not heard any reference to-day to what is the clear duty of the Government and I include the Secretary of State in that term,—under the Government of India Act. I do not want to minimise the value of what Captain Sassoon has brought to the notice of this House. All services are entitled to have their grievances looked into and redressed but the Government of India Act has provided a statutory remedy with regard to that, standing, permanent, lawful and legal—if one wants to distinguish the two things as I am told there was an attempt yesterday to do here. The Public Services Commission to be appointed under section 96C of the Government of India Act, shall according to its terms discharge in regard to recruitment and control of the Public Services in India such functions as may be assigned thereto by rules made by the Secretary of State in Council. All questions that possibly can arise and come before the Secretary of State can be provided for by the Rules. The terms of reference which have been somewhat inexplicably published long before the Commission is due to come, the contemplated Commission could probably discharge for the time being all the functions narrated there. But there will be no finality, I differ from Mr. Samarth that the findings of a body, say, like the Statutory Commission, would not find acceptance at the hands of those concerned. Well, if they do not accept what the Statutory Commission may do we are powerless. That is the only thing that the Government of India Act has provided for the purpose of meeting all contingencies and it has not yet been even tried. It is no good agitation being started by any Service without exhausting the remedies under the Act. The Royal Commission has been thought of as a passing remedy and is coming, no matter at what expense, no matter against what volume of public opinion. Though the terms of reference have been published the Commission is not coming out straightaway. So far as our finances are concerned, one might have waited till they right themselves and a supplementary grant might have been asked for when the Commission was about to start. Then again we do not know anything about the personnel of the Commission. That would be another determining element so far as the judgment of this House is concerned. Therefore we are not in the position in which the Assembly could be called upon to revise its decision and be asked to vote this amount at the present moment. Sir, we have been told that it will make a very bad impression about this Assembly in England if this grant is withheld. I doubt it. Moreover I suppose this will not be the first time that the Assembly will have taken responsibility with regard to that. Year before last the Lytton Committee was blocked. It was not a Royal Commission, but it was a Commission upon which the Secretary of State had set his heart. I am not complaining of that. The Commission could not come and instead we had Lord Lytton coming out to Bengal as Governor, which by itself is a net gain. But the point I want to make is so far as this Assembly is concerned, this will not be the first time when it has withheld a grant which the Secretary of State has wanted. We often

[Sir Deva Prasad Sarvadhikary.]

hear about the likelihood of the certifying procedure and of the grant being restored. It is not for us to mention that; it is not for us to think of that. It is bad enough that the official Members have been reminding us about it. It is bad enough that they forget that it is not good form to remind the tribunal before which they are pleading of what the appeal Court is likely to do. If that was attempted in other tribunal, the visitation would be severe indeed. But we ourselves need not put that forward as a reason why what is considered wrong should be done. I do not want to withhold hospitality from anyone, but this stands on quite a different footing. If the Commission has to come, for certain purposes, and those do not happen to be purposes which this Assembly—as I gather from the speeches—is prepared to endorse, there can be no question of lack of a due sense of hospitality. If the other course of reducing a rupee is not open—and I myself should have been prepared to accept that course as giving expression to what we think in the matter—the only course left to the House is to vote against the grant and leave the authorities to take any steps they like.

(Several Honourable Members: "The question may now be put.")

Mr. Jamnadas Dwarkadas: On a point of order, Sir. I was not here when the Honourable Mr. Samarth moved that a reduction of Re. 1 be made. As objection was taken to that amendment, I understand you ruled that out of order, Sir. May I point out, Sir, that in many instances in the course of the discussion on Demand for Grants the Honourable the President has after the discussion has gone on for some time allowed amendments for reduction of Re. 1 in order that discussion may be concentrated.

Dr. Nand Lal: I believe that my Honourable friend is asking the Chair to review the order. There is no rule for reviewing the order in the present circumstances.

Mr. Chairman: If it is the wish of any Members in the House that they should have the opportunity of considering this amendment, it is within the province of the Chair to allow it to be moved and discussed. If I can get any indication that there is a wish to move and discuss this amendment—which is not really a substantive motion—I am quite willing to allow the House to discuss it.

Dr. Nand Lal: Sir, there is no use in shutting our eyes to the facts and consequently, speaking for myself, I concede at once that the terms of reference, as we now see, are decidedly wider than we thought they were before. But I may say to Sir Malcolm Hailey that that wide character of the terms is not a complete answer to our exceptions which we very respectfully take to this Commission. Our objection is based on three grounds: firstly, that it is not the Government of India who desired it, it is not this country which required this Commission, but this is a Commission which has, I may submit with due deference, been hurled upon us; and, on principle, Sir, the people of this country are against it. The second ground is this, that we do not want it at all. We do not want a Commission. Had we wanted it, we would have put forward our petition, in that behalf, before the Government of India ourselves. The third ground on which we oppose it, is this that we are poor. In our present condition we cannot afford to spend the money. As you know, India has been renowned

for a good many things, and one of those things is her hospitality. She will be ready to extend her hospitality, she will be ready to accord reception, but she feels very reluctant to afford that hospitality on this occasion. I do not agree with the Honourable Mr. Jamnadas Dwarkadas that since we have committed ourselves once, therefore, we are limited to-day. Again speaking for myself, if I were guilty of an error of judgment once and some fresh data is placed before me I shall be quite prepared to review that judgment. But no fresh data has been shown, no further evidence has been set before us, no new grounds have been set forth.

Mr. Jamnadas Dwarkadas: I rise on a point of personal explanation. I never expressed my opinion on the merits; I only rose to a point of order with regard to the amendment.

Dr. Nand Lal: I have the greatest respect for the soundness of the opinion of Sir Sivaswamy Aiyer, but I am sorry I have to differ from him, and he will excuse me for that, and it will not minimise the force of my statement that I have got a genuine respect for his views. I differ from him. My own opinion is this that either we should vote for a thing or go against it. I have no faith in political jugglery, that we may reduce it by one rupee. We do not want it; we cannot afford to invite the Commission, therefore, why should we not, like straightforward men, go and say to the Government of India, "Well excuse us, we are not prepared to welcome this Commission." Now, Sir, a very forcible argument has been advanced on behalf of the Government, and that argument as usual emanated from our learned Leader of the House, I mean the Honourable the Home Member, "that after all this country will have to pay." "When you know you will have to pay, why don't you pay up sweetly?" My answer to that is this, if we make ourselves a party to such action we shall be considered guilty at the bar of the people of this country. What answer shall we give? If the Government of India is prepared to put that burden upon us, we shall have to pay, but we shall not be responsible for that; that payment will be due to our submission. But if the Government calls upon us to give our consent, we refuse and we refuse with the greatest possible respect. With these few remarks I very respectfully submit that this House will go against this Demand.

Mr. Harchandrai Vishindas (Sind: Non-Muhammadan Rural): Sir, I shall be very brief because so much time has been taken on this subject. There are some statements made which should not go unchallenged. I will first deal with Mr. Samarth. He first of all asked permission to move an amendment to reduce the demand by one rupee, which, was tantamount to a vote of censure against Government for making this demand. But when he found that it did not find favour with the House, he at once turned round and began to support the whole grant. It is therefore quite clear that he has been inconsistent. The points which have been made by those who are against the grant have not been at all sufficiently answered. One point is this, that it is the function of this Legislative Assembly, and of the Central Legislature to take action upon these questions and to take these questions into consideration, and that it was a great insult to this country and to this Assembly that an outside party should have made the appointment of this Commission. Then, Sir, with regard to what Captain Sassoon said that we have not done anything, the answer to that is who is responsible for that? Could not Captain Sassoon have

[Mr. Harchandrai Vishindas.]

tabled a Resolution that a Committee be appointed to go into these questions? Moreover that practically is a censure on the Government of India. It was up to the Government of India to appoint a Committee to go into all these questions. The reason why we say that this question should have emanated from some party here is that in that case we, the non-officials, would have been properly represented on this Committee, and the Committee appointed would have been a mixed one consisting both of officials and non-officials. That purpose has not at all been served by the appointment of this Royal Commission. At any time, it was up to any Member to move a Resolution for the appointment of a Committee; it was even up to the Government Members, the Home Member or anybody else, to move for the appointment of a mixed Committee of officials and non-officials.

One more point and I have done. Sir Sivaswamy Aiyer said that one of the reasons why we should vote this grant is that we shall be creating a feeling of bitterness in England if we do not. I think, Sir, that English feeling is already bitter against us on this point for the simple reason that we have already passed a vote of censure in the shape of a motion for adjournment; but I do not believe that that result will ensue. On the contrary, I think that John Bull is a fair and straightforward man, he is a strong fighter, and he would appreciate the fact that we have been consistent in our attitude. On the other hand, if we were now to vote this grant, we should be lowering ourselves in his estimation as he will say "Oh, these are weak-kneed, at one time they take a strong attitude, but afterwards they get frightened and cave in." Sir Sivaswamy Aiyer also said that if we did not vote the grant the amount would be provided by certification to avoid which we should vote for the grant. My answer to that is, that we are not afraid of certification. We have to express our own opinions and judgments without any thought of certification because otherwise we shall be laying ourselves open to the charge that we throw over our convictions for fear that our action might be modified or upset by the Government. Well, if we were to proceed on that hypothesis, I think we shall be unable to contest any of the demands made by Government. For that very reason we should insist upon our own opinions and our proper judgments being expressed. I say, if there is to be certification, so much the better. I welcome that because each time of certification there will be driven a further nail into the coffin of despotism Government.

(Cries of "Let the question be now put.")

Mr. Manmohandas Ramji (Indian Merchants Chamber and Bureau: Indian Commerce): Sir, after hearing all the arguments, I think that it would be better for this House to take some middle course. If we reduce this grant, by 3 lakhs, the suggestion will be that, as we have on a former occasion voted against the appointment of this Commission, therefore, in order to keep up our position, we have voted against this grant. Well, Sir, if there was a possibility that, if we reduced this grant by 3 lakhs, the amount would be reduced, and kept there, it would be all right; but that is not going to be the case. There is some other authority which can restore this grant. Now, why go to that extent when we can avoid that position and keep up our own position by not stultifying ourselves in

joining to accept this grant? Therefore I propose that this grant may be reduced by Rs. 10, and thus show our disapproval.

(Honourable Members: "The question be now put.")

The Honourable Sir Malcolm Hailey: The House must allow me one observation. I do not think that I could allow it to proceed to a vote on this question without calling attention to two or three remarks which have fallen from the speakers in the course of the discussion.

It has been sought to create prejudice against this Commission on a ground which I confess to me is both novel and astonishing. It is said that it has been appointed—and I quote the exact words—"appointed by an outside authority." It is the first time that I have heard that a Commission appointed by His Majesty the King at the suggestion of the Cabinet of Great Britain is a Commission which has been appointed by an outside authority to India.

Then it is said that the course which has been taken prevents an examination of outstanding questions on the services by officials and non-officials. That again is a most astonishing statement. Till you see the composition of the Commission, what right has any Member here to prejudice and prejudice it by a statement of this nature?

It is said that Government must take the responsibility, and if this expenditure is reduced the Governor General must certify it. The correct word, of course, is "restore" and the correct agency is not the Governor General but the Governor General in Council; but that is by the way. But the ground on which that statement was made is this—that if certification or restoration is resorted to, it will be welcomed because it is a fresh nail in the coffin of a bureaucratic Government. Is that so? Or is it an invalidation of the principle for which most Members of this House have stood, namely, the Reforms? I ask you to judge what is the exact effect of such a process before you welcome it, as Mr. Harchandrai Vishindas has so lightly done. I return to my original point, that in a proposal of this kind, which is for removing a definite provision from the Budget, you must decide not on a question of like and dislike, but on another consideration—whether your account will be correct if you omit it. There is no escaping this expenditure, as the House well knows. It must then find a place in the accounts; there is no avoiding that; and to seek to cut it out of the accounts would be simply to attempt to render those accounts to that extent inaccurate. You will not gain in any way in the expression of your resentment or your feeling on this subject by removing from your Budget expenditure which must be incurred and for which somehow or other provision must be made. That was my point, I avoided any discussion—and I am glad to say the House for the most part has also avoided discussion—of the merits of the Royal Commission. We are addressing ourselves to the Budget, and I ask you to decide the question purely from the Budget point of view.

(Honourable Members: "The question be now put.")

Mr. Chairman: The question is:

"That the question be put."

Before I put it, I would like to say there have been indications from several parts of the House that they wish Mr. Samarth's amendment to

[Mr. Chairman:]

be put before the House and therefore, if this motion is carried, I shall put that amendment first. The question is:

"That the question be now put."

The motion was adopted.

Mr. Chairman: Order, Order. The question is:

"That the provision for 'Public Services Commission' under head 'Miscellaneous' 3 P.M. be reduced by Re. 1."

The Assembly divided:

AYES—16.

Abdul Rahim Khan, Mr.
Abul Kasem, Maulvi.
Aiyer, Sir P. S. Sivaswamy.
Amjad Ali, Maulvi.
Das, Babu B. S.
Gajjan Singh, Sardar Bahadur.
Jamnadas Dwarkadas, Mr.
Muhammad Ismail, Mr. S.

Mukherjee, Mr. J. N.
Ramayya Pantulu, Mr. J.
Ramji, Mr. Manmohandas.
Samarth, Mr. N. M.
Sarvadhikary, Sir Deva Prasad.
Sassoon, Capt. E. V.
Webb, Sir Montagu.
Willson, Mr. W. S. J.

NOES—56.

Abdul Majid, Sheikh.
Abdul Quadir, Maulvi.
Abdul Rahman, Munshi.
Agarwala, Lala Girdharilal.
Ahmed, Mr. K.
Ahsan Khan, Mr. M.
Akram Hussain, Prince A. M. M.
Asjad-ul-lah, Maulvi Miyan.
Ayyangar, Mr. M. G. M.
Ayyar, Mr. T. V. Seshagiri.
Bagde, Mr. K. G.
Barua, Mr. D. C.
Basu, Mr. J. N.
Bhanja Deo, Raja R. N.
Bhargava, Pandit J. L.
Chaudhuri, Mr. J.
Clark, Mr. G. S.
Cotelingam, Mr. J. P.
Crookshank, Sir Sydney.
Faizyaz Khan, Mr. M.
Faridoonji, Mr. R.
Gidney, Lieut.-Col. H. A. J.
Girdhardas, Mr. N.
Gour, Dr. H. S.
Gulab Singh, Sardar.
Hailey, the Honourable Sir Malcolm.
Innes, the Honourable Mr. C. A.
Iswar Saran, Munshi.

Jafri, Mr. S. H. R.
Jamall, Mr. A. O.
Jatkar, Mr. B. H. R.
Kamat, Mr. B. S.
Lakshmi Narayan Lal, Mr.
Latthe, Mr. A. B.
Mahadeo Prasad, Munshi.
Man Singh, Bhai.
Misra, Mr. B. N.
Moir, Mr. T. E.
Mudaliar, Mr. S.
Nabi Hadi, Mr. S. M.
Nag, Mr. G. C.
Nand Lal, Dr.
Neogy, Mr. K. C.
Reddi, Mr. M. K.
Sams, Mr. H. A.
Sarfaraz Hussain Khan, Mr.
Schamnad, Mr. Mahmood.
Singh, Babu B. P.
Sinha, Babu Adit Prasad.
Sinha, Babu Ambica Prasad.
Sinha, Babu L. P.
Sinha, Beohar Raghbir.
Sircar, Mr. N. C.
Sohan Lal, Mr. Bakshi.
Srinivasa Rao, Mr. P. V.
Vishindas, Mr. H.

The motion was negatived.

Mr. Chairman: The question is:

"That the provision for 'Public Services Commission' under head 'Miscellaneous' (page 150) be omitted."

The Assembly divided :

AYES—46.

Abdul Majid, Sheikh.
Abdul Rahman, Munshi.
Abdulla, Mr. S. M.
Abul Kasem, Maulvi.
Agarwala, Lala Girdharilal.
Anmed, Mr. K.
Ahsan Khan, Mr. M.
Akram Hussain, Prince A. M. M.
Asjad-ul-lah, Maulvi Miyan.
Ayyangar, Mr. M. G. M.
Ayyar, Mr. T. V. Seshagiri.
Barua, Mr. D. C.
Basu, Mr. J. N.
Bhargava, Pandit J. L.
Chaudhuri, Mr. J.
Faiyaz Khan, Mr. M.
Girdhardas, Mr. N.
Gour, Dr. H. S.
Gulab Singh, Sardar.
Iswar Saran, Munshi.
Jatri, Mr. S. H. K.
Jamnadas Dwardadas, Mr.
Jatkar, Mr. B. H. R.

Joshi, Mr. N. M.
Kamat, Mr. B. S.
Lakshmi Narayan Lal, Mr.
Mahadeo Prasad, Munshi.
Man Singh, Bhai.
Misra, Mr. B. N.
Mudaliar, Mr. S.
Nag, Mr. G. C.
Nand Lal, Dr.
Neogy, Mr. K. C.
Ramji, Mr. Manmohandas.
Sarfaraz Hussain Khan, Mr.
Sarvadhikary, Sir Deva Prasad.
Singh, Babu B. P.
Singh, Babu Ambica Prasad.
Sinha, Babu Adit Prasad.
Sinha, Babu L. P.
Sinha, Beohar Raghurib.
Sohan Lal, Mr. Bakshi.
Srinivasa Rao, Mr. P. V.
Subrahmanayam, Mr. C. S.
Venkatapatiraju, Mr. B.
Vishindas, Mr. H.

NOES—45.

Abdul Quadir, Maulvi.
Abdul Rahim Khan, Mr.
Achariyar, Rao Bahadur P. T.
Srinivasa.
Aiyar, Mr. A. V. V.
Allen, Mr. B. C.
Amjad Ali, Maulvi.
Bagde, Mr. K. G.
Bhanja Deo, Raja R. N.
Blackett, Sir Basil.
Bradley-Birt, Mr. F. B.
Bray, Mr. Denys.
Brayne, Mr. A. F. L.
Bridge, Mr. G.
Chatterjee, Mr. A. C.
Clark, Mr. G. S.
Cotelingam, Mr. J. P.
Crookshank, Sir Sydney.
Faridoonji, Mr. R.
Gajjan Singh, Sardar Bahadur.
Gidney, Lieut.-Col. H. A. J.
Haigh, Mr. P. B.
Hailey, the Honourable Sir Malcolm.

Hindley, Mr. C. D. M.
Holme, Mr. H. E.
Hullah, Mr. J.
Innes, the Honourable Mr. C. A.
Jamall, Mr. A. O.
Latthe, Mr. A. B.
Ley, Mr. A. H.
Lindsay, Mr. Darcy.
Mitter, Mr. K. N.
Moir, Mr. T. E.
Muhammad Hussain, Mr. T.
Muhammad Ismail, Mr. S.
Nabi Hadi, Mr. S. M.
Percival, Mr. P. E.
Samarth, Mr. N. M.
Sams, Mr. H. A.
Sassoon, Capt. E. V.
Schammad, Mr. Mahmood.
Singh, Mr. S. N.
Sircar, Mr. N. C.
Townsend, Mr. C. A. H.
Webb, Sir Montagu.
Willson, Mr. W. S. J.

The motion was adopted.

(At this stage Sir Campbell Rhodes vacated and Mr. President took the Chair.)

Mr. Lachmi Prasad Sinha: Sir, the Retrenchment Committee's findings are that the receipts in 1922-23 including the grant of the Rajkot College are expected to exceed the expenditure by Rs. 12,000 and the College authorities moreover gave the Committee to understand that the college is going to be self-supporting—*vide* Retrenchment Committee report, page 192.

The Honourable Mr. A. C. Chatterjee (Education Member): May I rise to a point of order, Sir? The Honourable Member is referring to the demands for grants under Education. I do not think it has been moved yet.

Rai Bahadur Lachmi Prasad Sinha: Are we not dealing with Education? If not, I am sorry, Sir, that I moved my motion under a misapprehension.

Mr. President: We are now under the head Miscellaneous.

The question is:

"That a reduced sum not exceeding Rs. 18,23,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Miscellaneous'."

The motion was adopted.

DEMAND NO. 27—EDUCATION.

The Honourable Mr. A. C. Chatterjee: Sir, I beg to move:

"That a sum not exceeding Rs. 2,49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Education'."

I may state, Sir, that the grant originally entered in the Demands for Grants was Rs. 2,80,000 and a reduction of Rs. 31,000 has now been effected.

Rai Bahadur Lachmi Prasad Sinha: Sir, the Retrenchment Committee's findings are that the receipts in 1922-23 including the grant of the Rajkot College are expected to exceed the expenditure by Rs. 12 thousand and the College authorities moreover gave the Committee to understand that the college is going to be self-supporting (Retrenchment Committee report, page 192) so their final recommendation was not to make any provision for this college whereas Government in their Budget, 1923-24, demands from us a sum of Rs. 28 thousand for the College. Further on, so far as the Aitchison College is concerned, the Committee remarked that the finances are in an unsatisfactory condition. It also observed that question of discontinuing the grant is being considered. But, Sir, here also a sum of Rs. 28 thousand is being demanded from us. In the first case there appears to be no necessity for having any grant in aid for the Rajkumar College considering that it is self-supporting. Even if it were not I think this expenditure should come from those who are directly benefited by this College. So far as the second one is concerned, it has been pointed out by the Retrenchment Committee that only 16 per cent. of the students are from Indian States and the rest from the Punjab. So here also the expenditure should come from the Indian States where students are directly benefited as well as from the Punjab Local Government. In the circumstances, Sir, I think my motion for reducing this 56 thousand rupees is not unreasonable one. Further though in the Revised Schedule we find a cut of 31 thousand from the total budgeted figure for the head of Education, we do not know how and from what other sub-heads it is going to be made up of:

"That the provision for charges under sub-head Chiefs' Colleges under the head 'Education' be omitted."

Mr. Denys Bray (Foreign Secretary): The Honourable Member I am sure on reflection will realise that it is hardly practicable suddenly to withdraw subventions of long standing which meet a considerable percentage of the cost of these institutions. What Government have already done

is this. We have reduced the grant to the Rajkot College from Rs. 25,000 to Rs. 10,000 and the grant to the Aitchison College, Lahore, from Rs. 28,000 to Rs. 15,000. The Bombay Government hold out hopes that by next year it may be possible to make the Rajkot College self-supporting, and in response to a special appeal a substantial increase of contributions from the States to the Aitchison College is expected in the coming year. Honourable Members may say that the States should contribute themselves. My answer is that the States do contribute and contribute generously. There is not one of these institutions—and I am now speaking of the Chief's Colleges in general—which would have come into existence had it not been for the support of the Princes, and there is not one which would continue in existence if that support were withdrawn. I would ask the House to reflect what the result would be if we effected an immediate withdrawal of these grants to these colleges. (*A Voice*: "It will be good to the country.") As I have said, we are doing what we can to reduce them. We have already reduced them by more than 50 per cent. If we reduced the whole of these subventions of ours all of a sudden, we should be putting these Colleges in a position of great difficulty, and I venture to think that our action would be regarded as, what on the Foreign side of the Foreign and Political Department we would call, an unfriendly act. British India, after all, is surely interested in the better education of the Princes and their Thakurs and Sardars. That statement no one I venture to think, will deny. And British India is interested also in the maintenance of cordial relations with the States. And I think if the House will throw out this motion their action will be regarded as an olive branch and as an earnest desire of this House to maintain those friendly relations between British India and the Indian States, which is so essential to the well-being of India as a whole.

Sir Deva Prasad Sarvadhikary: I strongly oppose this motion, not because it is necessary so much to extend the olive branch Mr. Bray has spoken of (though I fully believe in it), but I oppose it on larger issues. In the first place not a pice that can be avoided ought to go out of the Educational Budget. The cuts cannot be assented to by any one determined on advancing the interests of the people as a whole. I think Educational grants ought to be increased. I want to draw the attention of the Government of India to this need and taking a leaf out of Mr. Innes' book (wrong book to begin with, but there are right pages in it), to make a stand and a determined stand to see that nothing in the way of education and allied nation-building subjects should suffer.

In the second place, the Indian Princes are an integral and a very important part of the whole of Indian polity. I believe it would be a mistake to interfere in the least degree with the better education of our Indian Princes. Surely they would pay more if they are obliged to but that is not the point. We want to be in touch with their education, in seism of their education; and above all we want to see that their education is a little more Indianised. We want to Indianise the services. Indianise some of our own people. We want also to Indianise our own Princes. We have been trying elsewhere to suggest that education in India should be self-contained as far as possible, there should be greater co-ordination of educational works. The education of Indian Princes should also be self-contained as far as possible. I had occasion of getting into touch with some of these Colleges like the Aitchison College. They are doing excellent work and I shudder to think of what would happen if the education of those who come under the influence of those Colleges were neglected. There

[Sir Deva Prasad Sarvadhikary.]

is a great deal of room for improvement for which means should be forthcoming. I think that we should mark our sense of appreciation of the work that is done there by withholding support to a motion like this. I propose to speak later on other educational grants and then I shall go into the general question of Education.

Mr. President: The question is:

“That the provision for charges under sub-head Chiefs' Colleges under the head 'Education' be omitted.”

The motion was negatived.

Dr. Nand Lal: Sir, I move:

“That the provision for charges in connection with inspection of Chiefs' Colleges under the head 'Education' be omitted.”

As you know, Sir, education is a department which moulds the character of the people. It is a nation-building department and if any department renders the best service to the country, it is, to my mind, the Educational Department. The reason why I put forward this amendment is this. That I should like to know from the Honourable Member in charge of this Department as to what is the specific charge in regard to the maintenance of the Chiefs' Colleges. If the Honourable Member will be able to let me know the specific charge exclusive of other items then I shall not press my amendment at all.

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

Sir Deva Prasad Sarvadhikary: I move:

“That the demand under the head 'Education' be reduced by Rs. 100.”

Sir, this is an Irish method of reduction for which I move because I want more. And I want to say generally that I hope the Education Member of the Government will make a strong stand and oppose all avoidable educational cuts. I do not now want to go into details. There is a Departmental Committee attached to the Department and I think the Committee ought to be consulted before cuts are assented to. Without betraying official secrets, I understand that there is a difference of opinion with regard to the matter. In order that the Department may be strengthened and public opinion consulted, I hope the Departmental Committee will be consulted before these cuts are made.

The Honourable Mr. A. C. Chatterjee: Sir, as the Honourable Member has said that he does not really want any reduction in this head, I hope he will withdraw his motion. As regards consulting the Departmental Committee, I shall do my best to consult that Committee if there is time to do so before decision is come to on any points connected with reductions under this head. But, as the Honourable Member will see, the only reductions so far as this head is concerned which have been proposed and have been accepted relate to the Chiefs' Colleges.

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

Mr. President: The question is:

“That a sum not exceeding Rs. 2,49,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Education'.”

The motion was adopted.

DEMAND NO. 49—DELHI.

The Honourable Sir Malcolm Hailey: I move:

“That a sum not exceeding Rs. 28,33,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Delhi’.”

The House will see that the original budget demand was placed at Rs. 30,58,000 as against Rs. 38,68,000 in the revised estimate for 1922-23. That therefore was in itself a reduction of over 8 lakhs of rupees. From that Rs. 30,58,000 we have further proposed to reduce Rs. 2,25,000, making a total reduced demand of Rs. 28,33,000. Of the Rs. 2,33,000 about Rs. 1,45,000 have been deducted under general heads, Police, General Administration, Contributions and the like, and the remainder has been effected under Education, Public Health and Medical.

The Honourable Mr. A. C. Chatterjee: Sir, as I understand that a number of Members in this House are interested in the question of the grants for education under the head ‘Delhi’, I may be permitted to explain that there has been a reduction proposed of Rs. 75,000 on the grants as put forward in the Blue Book. The whole of this sum is proposed to be cut from the grants for the Colleges and secondary schools in Delhi. As matters now stand, it is not proposed to make any cut out of the grant to Delhi University. But if it is the wish of this House that any cut should be made from the grant for the Delhi University, then one of these motions that are now down on the paper could with your permission be utilised for giving expression to the views of the House.

Mr. T. V. Seshagiri Ayyar: I am moving, Sir, one of the motions* standing in the name of Dr. Gour. It is felt by my friends on this part of the House that not a pie should be cut down from the grant to the Delhi University. Sir, we are all agreed that there must be a central institution like the University, in a place where the Capital of India is situated, and it would be a very unwise thing to cut down any portion of the money which has been sanctioned for carrying on the work of that institution. Sir, it has been suggested by the Inchaape Committee that the grants to the colleges should be cut down. We on this part of the House resent any such reduction being made, because we think that in these matters, in the case of nation-building departments, no attempt should be made to cut down even a single rupee from the grant which was already promised. Under these circumstances, Sir, I oppose the motion which is made, namely, to cut down the original grant by a large sum of money, Rs. 30,000 which, apparently under the revised grant will be taken away from the educational institutions in this province. Sir, I have spoken, because it is the desire of my friends on this side of the House that there should not be very many speeches. I believe I am expressing the sense of the whole of the non-official Members on this side of the House when I say that there should be no reduction whatsoever in regard to the grant to the colleges and the University.

Mauvi Abul Kasem (Dacca Division: Muhammadan Rural): Sir, I heartily support the observations made by my distinguished and Honourable friend, Mr. Seshagiri Ayyar, that there should be no reduction in one form or other from the grants made to Education in general or to educational

* “That the provision under the sub-head ‘Education—University’ under the head ‘Delhi’ (page 206) be reduced by Rs. 1.

[Maulvi Abul Kasem.]

institutions in particular. We, Sir, the people of India, not of the Delhi province, welcome the establishment of a University at Delhi and we fully appreciate the action of the Government in establishing a University in the Imperial City and headquarters more or less of the Central Government, and we are grateful to Government for that. But, Sir, in this connection, I have been charged to make a little observation of my own for the consideration of the authorities of the University whoever they may be, official or non-official. Sir, when the University Bill was presented to this House, there was a provision—a meagre provision no doubt—for the representation of the members of the Muhammadan community on the University itself. But, Sir, the Select Committee which met discussed this. I happened to be one of the members of the Select Committee and I had the privilege of suggesting that in the constitution itself it should be laid down that a certain proportion of Muhammadans should be on the Senate. Unfortunately, Sir—and I regret it very much—a House where the Muhammadan element was in an absolute and hopeless minority, not only threw out the proposal which was in the original Bill as drafted by the Government draftsman, but also my recommendation on the subject, and the result has not been satisfactory from a Muslim point of view. Out of the 85 members of the Senate, I do not know

Mr. President: I ask the Honourable Member whether in order to satisfy the grievance which he is putting forward legislation would be necessary or not.

Maulvi Abul Kasem: No, it is not for legislation, Sir. The University is not yet complete. Out of 85 members of the Senate there are only 9 Muhammadans and that is a grievance, Sir, and there are other matters also. The Muslim public, and the educated public in particular, feel that their interests are not properly considered and are not safeguarded. I hope, Sir, that in making the nominations to the remaining seats to the Senate and also in other matters, the learned Vice-Chancellor and His Excellency the Chancellor will take these matters into consideration. But before I sit down I shall be failing in my duty if I do not observe that the learned Vice-Chancellor of the University has been instrumental and sympathetic in securing one or two Muhammadan members for the Senate, and I appreciate that thankfully. But the constitution itself is bad, but whatever it is, I hope some remedy will be found for a proper representation of Muhammadans and for the safeguarding of Muhammadan interests. Sir, the Muhammadans are backward in education and I think they need a helping hand to help them through. My learned friend Mr. Seshagiri Ayyar said that education was a department for nation-building. If you have to build a nation, you have to build each component part of the nation before it can be built.

Khan Sahib Maulvi Abdul Quadir (Central Provinces: Nominated Non-Official): Sir, being interested in matters educational, I rise to say a few words on this occasion as it grieves me to see that efforts have been made to effect economy under the head Education, due perhaps to the suggestions in the report of the Incheape Committee to the effect that there was no need for Delhi University under the present financial stringency, as university education was available for the people of Delhi Province elsewhere in their neighbourhood, and hence the University scheme may be reconsidered. Lord Incheape's Committee, Sir, has no doubt done immense good to India

by recommending cuts in various other departments, but it has done incalculable harm to the people of this country by suggesting savings under the head Education. If anything is needed for India, education is the thing which is most needed for her. Without education in its proper sense, it is impossible for her to make any headway towards the realisation of the object of the Reforms Scheme. It is not possible to have proper education without establishing a University in every big and important city throughout India. Fortunately the Delhi University has been formed and is put in working order and now to think of setting at naught the whole edifice by refusing to grant its working expenses and the grants of the colleges affiliated to it or to try to cut down anything from the above grants is not in my humble opinion, to say the least of it, a sound principle. It practically amounts to acting like a gardener who tills and prepares his ground, plants fruit trees in it, waters and nurtures them till they are in full blossom, and when they are about to bear fruit, he allows them to go dry because he experiences some difficulty in watering them for the time being and because he can import his fruit from elsewhere. I would appeal to this Honourable House to find out means to spend more upon the education of our countrymen, rather than think of curtailing the expenditure under the head of Education. Universities do not often come into existence and easily, but if they once come into existence, it is our bounden duty to maintain them at any cost. If the financial conditions are not favourable this year, let us hope we shall be having a surplus budget next year or the year after next. We can ill-afford to live year after year upon deficit budgets. If we have the good of our country at heart, we must reduce our expenditure under other heads and make ever-increasing provision for education. Without education we cannot prosper. The more we spend upon education the greater will be our progress towards the attainment of our national aspirations. The solution of the communal problem also lies in the spread of education broadcast. It depends upon one community understanding the interests of the other communities properly and thoroughly. Till then it is not possible to do away with the differences that exist between community and community and give rise to internecine disputes in time and out of time. Besides that, education spreads knowledge and has got the inherent property of increasing the more you spend it as somebody has aptly said:

Vidya dhana sub dhanan te sant kahat sardar

Kharche se kuchh ghatat nahin din din hoye udar

Of all the wealth in the world the wealth of education is the superiormost, because, unlike the other heads it increases by expenditure and does not decrease. I strongly deprecate any attempt whether it be on the part of Government or on the part of any individual Member of this House to effect retrenchment under the head of education. It will be a bad day, Sir, for India when this Honourable House will decide upon retrenchment under Education. I oppose the amendment.

Mr. Mahmood Schannad Sahib Bahadur (West Coast and Nilgiris: Muhammadan): Sir, I oppose any grant being made to the Delhi University. All around Delhi we have got several Universities and there is no justification for a separate University for Delhi as it is and in the present circumstances. The idea of a University for Delhi was conceived with the object of giving equal facilities to all communities and so the Delhi University Bill was drafted with a provision to give separate representation to Muhammadans; but, when it came out from the Select Committee, that clause

[Mr. Mahmood Schamnad Sahib Bahadur.]

was omitted by the advice of men like Dr. Gour, who are enemies of communal representation. And now, Sir, the Retrenchment Committee also has very rightly remarked that the idea of a University for Delhi was premature. If a University in the Capital City be started without a proper representation of the important minor communities, it will spread discontent and will also be very prejudicial to the spread of education among these communities. So I say the amount of Rs. 40,000 may be spent for education in general.

With these remarks, I resume my seat.

Dr. Nand Lal: Sir, I am in favour of the maintenance of the Delhi University; my belief is that it will, one day, prove a very useful University, and I entertain a hope that pupils from various Universities will flock to it. The beginnings of the Delhi University have encouraged me to hope that the day will come when this Delhi University will be considered one of the most prominent Universities in the whole of India. All colleges and other educational institutions may be helped, whether they are medical institutions, whether they are arts institutions, whatever institutions they are, in connection with the Educational Department, may be fully supported, namely, all colleges and all schools here deserve support. I am not standing here to offer any adverse remarks, but I am bound to give a response to the expression of opinion which, whether accidentally or designedly, has been made by my distinguished friend the Honourable Mr. Abul Kasem. He says Muhammadan interests may be safeguarded. May I remind him that Education itself is a department in which we should not think of this caste or creed. Education itself is so sacred a thing that it should not be subject to communal representation. We Hindus would welcome Muhammadans; they are our brethren. We shall be very glad to see the Court is decorated by some of them. But I may venture to say that it should be efficiency and ability which should be the measure and criterion, and not caste. I think no communal question should be talked over on the floor of this House, namely, Central Legislature. This sort of opinions should not be given vent to here. I am very sorry I have got to differ from my Honourable friend. I differed from him on some previous occasions, and I thought he would give due consideration to my suggestions in favour of nation-building. How long shall we keep on to these communal interests? We shall never make a nation, and with all due respect I offer my suggestions to those gentlemen who are great advocates, or so-called advocates of communal representation, that they should try to stamp out this evil which is eating into the vitals of our people in India.

With these remarks I submit that there should be no communal representation, at all, in these sacred University matters. Efficiency, ability and utility should be given due regard, and not the question of this creed or that creed.

Sir Deva Prasad Sarvadhikary: Sir, I strongly support the plea that the usefulness of the Delhi University, for bringing which into existence we were responsible, should not be interfered with. The damage to the Colleges will be incalculable; they have been taken away from another University, and made to place themselves on another footing. And now, in the name of an ill-considered plea for economy put in by people who do not happen to have studied the question, I do not think we ought to go back upon what we did only the other day. The Incharge Committee were very well advised in many important matters in pronouncing what

in our profession we call appeal proof judgments. In this case they have not resorted to this wisdom and not one of their educational recommendations can be supported.

Khan Bahadur Abdur Rahim Khan (North-West Frontier Province: Nominated Non-Official): Sir, I am going to support this amendment from another point of view. I am glad that from every corner of this House the voice is heard in support of education, which is a very healthy and promising sign to meet my purpose. But I am very sorry to see in my unfortunate Province retrenchment is directly made in education. I am sorry to notice that in the Report of the Inchcape Committee unfortunately there is a serious retrenchment in education. There are three institutions in my Province. The recommendation is that further grants should not be given to two of these institutions, and in regard to the third that no grant should be given at all; this is death blow to our education and is bound to displease the whole Province.

Mr. President: We are discussing one institution.

Khan Bahadur Abdur Rahim Khan: I am coming to that as I see the sense of this House is entirely in favour of education. I support this proposal and I hope when my turn comes, they will support me too, and will not disappoint me.

Mr. B. S. Das: Sir, I rise to sound a note of warning to my friends who are interested in the University of Delhi. From experience I am bound to sound this note of warning. The Government of India in matters of education are fond of putting very ambitious programmes before the public; they help it to a certain extent, give it a start, and then fall back. That is the case here. That is what I say from experience. They put before us a very ambitious scheme long ago in the shape of a Patna University. It was to be made a residential one; large sums of money were to be spent on that University; that was the original scheme. The Government of India had first made

The Honourable Mr. A. C. Chatterjee: May I rise to a point of order? Is the Honourable gentleman in order in referring to the affairs of the Patna University which is at present under the control of the Bihar and Orissa Government?

Mr. President: I am sorry I missed the word "Patna". The Honourable Member must come to Delhi.

Mr. B. S. Das: What I am narrating is the experience that I had in connection with this University. The Patna University was first started by the Government of India; the scheme was sanctioned by the Government of India and was only recently after the reforms that it was made over to the Government of Bihar and Orissa; but the Government of India were its sponsors

Mr. President: That may be perfectly true, but we are only discussing Delhi now.

Mr. B. S. Das: I bow to your ruling, Sir. I only meant to say that those who are interested in the University of Delhi should take note from the fact and from the experience that we have gained from the University of Patna, that they should not be very hopeful regarding the ambitious schemes and programmes that are before them. Thereby I do not mean to withhold my support to any motion for grant to the Delhi University; I have

[Mr. B. S. Das.]

only incidentally referred to my own experience of my university. That is what I want to say and it was with that view that I proposed another amendment. But I do not like to move it now. Now that there has been opposition to this motion for a grant to the University of Delhi, I would say that there should be no opposition on the part of any Indian to any university. On the other hand there should be a united effort on the part of every Indian to see that all universities in India get their full Government support as they deserve and all the promises made to the universities that are now controlled by the Government of India or that were controlled by the Government of India at one time, should be made good. With these remarks I support the original demand.

Dr. H. S. Gour: I had intended, Sir, to be a silent listener to the debate on the subject of Delhi University and I therefore vacated my place to my Honourable friend, Mr. Seshagiri Ayyar. I feel extremely gratified to hear the unanimous voice raised in favour of the continuance of Delhi University and of its integral colleges. My friend, Maulvi Abul Kasem, has drawn my attention to the inadequacy of Muhammadan representation upon that University. Only on the last occasion when I presided at the meeting of the Court of the Delhi University loud and clamorous shouts were raised from the body of the hall that I was unduly favouring the Muhammadan interests. Well, Sir, what Maulvi Abul Kasem has said has not fallen upon deaf ears; and as for my views against communal representation I hope my friend, Mr. Schamnad, will allow for honest differences of opinion. I cannot trim my sails according to his wind, and if he and I do not agree upon the subject of communal representation that is no reason why we should not meet on the common ground of university education. Sir, I am extremely gratified to learn that the Government is sympathetic to the subject of education, but as I have said before, and I repeat it, that sympathy must be translated into actual assistance because the colleges in Delhi sorely need the pecuniary assistance of the Government. They have been re-organized and reconstituted to be brought up to the level of constituent colleges of the Delhi University; and any curtailment of their annual grant will seriously imperil their existence and strike a blow at the utility of the Delhi University. Sir, I need say no more than that my friend Mr. Seshagiri Ayyar will, after hearing the re-assuring promises from the Honourable Member in charge of Education, withdraw his motion.

Mr. K. Ahmed: Sir, neither has the motion been withdrawn nor has the leave of the House taken to withdraw the motion. Under these circumstances, Sir, I think one is entitled to make his speech on the motion that is before the House. If that is so, Sir, I think this is an opportunity when a suitable answer should be given both to my Honourable friends, Dr. Gour and to Dr. Nand Lal of Lahore. My Honourable friend Dr. Nand Lal standing on the floor of this House and speaking on the subject of Education was showing his moustaches, face and fists; he proceeded to call himself as it appeared a great leader in the realm of education and he went on to attack previous speakers most brutally on the subject discussed by him. I thought that in Education the most important thing needed was that it should be imparted equally to every one. We have got a University at Cambridge, and I believe both Dr. Gour and Dr. Nand Lal were educated there. If my friend Dr. Nand Lal is lacking in education or social education, I am very sorry, I am also very sorry that he should have kept aloof from the society of the

educated people of England and attached himself more to non-collegiate Indian Society to which I had the honour to belong. He never realised at the time he made his speech in this Assembly that the University of Delhi requires a staff as good as the staff possessed by the Cambridge University. If that is so, Sir

Mr. President: We are now discussing the subject of Delhi University.

Mr. K. Ahmed: I am now coming to the Delhi University, Sir. We follow exactly the same principle, as my friend Dr. Gour said that the colleges in Delhi have been re-organized and reconstituted. Well, Sir, I take the challenge. But if you look at the constitution of the Delhi University, you will find that out of 85 Members there are only 9 Muhammadans. Sir, is there any equality of proportion in this? When you talk about education, does it mean that you should be in possession of the whole Court? Are you satisfied that the interests of the Muhammadans have been safeguarded? You are now in practically full possession of the Court of the Delhi University and you ask ' what is the use of considering the question of communal representation '.

Dr. H. S. Gour: Who says so?

Mr. K. Ahmed: Dr. Nand Lal says so.

I say, Sir, Dr. Gour did not say so, but the great Dr. Nand Lal of Lahore said so. Now, Sir, I quite agree that you must have a University, but certainly if you have reconstructed the colleges, if you have reorganised them, and if you want to start education in the Imperial town, there must be a University which will impart all sorts of education well fitted to the people of this country. I suppose, Sir, if you would be good enough to allow communal representation in the matter of education, I don't think you will be lacking in any way in the principle that has been laid down by my Honourable friend from Lahore. Sir, I understand that in the whole Delhi province practically one-third of the population is Muhammadan. This figure has been handed over to me just now by a non-Brahman friend of mine who has sympathy with the Muhammadans and he wants communal representation of his own community. Sir, out of 85 Members, if you had given only 9 seats to Muhammadans are not they entitled to get more in proportion to their population?

Mr. President: Are these seats on the Board in question given by the Act, or not?

Mr. K. Ahmed: Sir, reference was made to them and I think my Honourable friend, Maulvi Abul Kasem, mentioned that there
 4 P.M. was a clause in the Act which he had noticed but it appears now that it has been wiped out: the great majority of the people in possession of the Delhi University court are non-Muhammadans and they wanted to eject the minority, and that is the reason why in this temple of education, this temple of justice, where the representatives of the people of India and of the Government are assembled, it is necessary that this point should be threshed out and that is exactly what I wanted to bring in. Now, Sir, with regard to the social education, my friend also says that it will be no University if the communal interest is recognized there. Neither do I appreciate I must confess that it will be a great University where vocal

[Mr. K. Ahmed.]

education is given, nor education that is given in the way of attending lectures only, or writing out theses without taking any lessons from the tutorial staff that has been given by the University, Sir. The other question that has to be considered is this. That, here you have got a different kind of people; some of them will not allow their children to read the Ramayana or Mahabharatta. Would any of my Hindu friends like to see his child read the Bible or some other religious book, *e.g.*, Koran? A Hindu father would say he would not like his child to do that.

Mr. President: The Honourable Member is getting too far from the University of Delhi.

Mr. K. Ahmed: Therefore, Sir, in the University where all these things are required, I do not think any of my friends, both Dr. Gour and Dr. Nand Lal, would object to them. I am told, Sir, Dr. Nand Lal is associating with people very much and indeed getting his social education accomplished properly from this Institution. We find he is progressing gradually and I do not see why that principle should not be applied with regard to other people, especially in the province of Delhi. Probably he did not mean what he had said. My notion of education is quite different and that by passing an examination after reading two or three books is no education at all. Sir, without entering into any further discussions with regard to the curtailment of any amount, I think we have had many cuts in the other subjects, and I do not think we should be unfair with regard to this grant. And I hope Dr. Gour as the Vice-Chancellor of this University will realise and appreciate the situation so that the people of this province who have got the University here will feel that they are actively taking part in it.

The Honourable Mr. A. C. Chatterjee: Sir, we have had an extremely interesting speech from my Honourable friend Mr. Kabeer-ud-Din Ahmed. I have no desire to enter into the merits of that speech and I have no doubt that the Honourable the Vice-Chancellor of the Delhi University will profit by the admonition that has been given to him by Mr. Kabeer-ud-Din Ahmed. Nor, Sir, do I wish to be lured into a discussion with my Honourable friend from Orissa regarding the attitude of the Government of India towards the Patna University. You, Sir, ruled him out of order. Still he managed to put in a plea on behalf of a province which is always crying for more funds and for more assistance from the Government of India. My Honourable friend Mr. Abul Kasem and also my Honourable friend Mr. Mahmood Schamnad referred to the question of Mussalman representation on the Court of the Delhi University. That is a matter, Sir, which does not at present concern the Government of India, but I can promise my Honourable friends that I shall bring their views to the notice of His Excellency the Chancellor. I think, Sir, I may take it that the House in general approves of the grant to the Delhi University. ("Hear, hear" and *cries of "Yes."*) I have nothing more to say except that with regard to the cuts in the grants for Education generally, that is to say, grants for the Delhi Colleges and the Secondary Schools, I can only promise that the views of the House will be taken into consideration.

Dr. H. S. Gour: Sympathetically.

Mr. T. V. Seshagiri Ayyar: On that assurance, I withdraw my motion.

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

Mr. President: The question is:

“That a sum not exceeding Rs. 28,33,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Delhi’.”

The motion was adopted.

DEMAND No. 41—CIVIL WORKS.

Colonel Sir Sydney Crookshank (P. W. D. Secretary): Sir, I beg to move:

“That a sum not exceeding Rs. 1,16,37,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Civil Works’.”

Honourable Members will find on a reference to page 121 of the Demands for Grants that this figure which I have just given them, is short by Rs. 11 lakhs of the original figure which was inserted in this demand. The reductions effected under that figure of Rs. 11 lakhs have been distributed—or rather it is proposed to distribute them—as follows:—From the allotment of Rs. 10 lakhs for the Forest Research Institute at Dehra Dun, a reduction of Rs. 2 lakhs; from the Agricultural Research Institute at Pusa, Rs. 1 lakh; from the School of Mines and Geology at Dhanbad, Rs. 2 lakhs; from Repairs generally, Rs. 3½ lakhs; from Minor Works, Establishments and Miscellaneous, Rs. 2½ lakhs; total Rs. 11 lakhs. Honourable Members will no doubt realise that seeing that the demands received by us from Provincial Governments and Local Administrations under the head Civil Works amounts to no less than Rs. 338 lakhs, the reductions which we have effected, by which the grant now stands at Rs. 124 lakhs, plus Rs. 52 lakhs for the roads in Waziristan, is a very small demand to make, and, in the circumstances, having consideration of the fact that there are practically no demands for original works not in progress, and that we shall have to reduce very heavily the provision which we usually make for minor works and repairs, the demand which I now place before the House is a bed-rock demand and will, I hope, be accepted *in toto*.

Khan Bahadur Sarfaraz Hussain Khan: I wish to move amendment No. 527*.

Mr. President: The Honourable Member must put it in a form in which I can conveniently put it to the House. What I want is a sum that can be deducted from the main sum of the estimate and not to search the accounts of last year to find out what sum it is that the Honourable Member wants to deduct.

Colonel Sir Sydney Crookshank: Perhaps I can explain to the Honourable Member what the actual position is. I think he refers to the figure of Rs. 1,98,000 which stood against the item Reserve for last year's Budget Estimates. But I should like to point out to him that that figure was not actually acted upon as the reserve for the Public Works Department in the current year 1922-23 actually stood at Rs. 11,49,000 at the commencement of the year. This year in consultation with the Finance Department we have fixed our reserve at Rs. 6,77,000, and as a general rule it stands at Rs. 10 lakhs.

* “That the provision under sub-head Reserve under the head ‘Civil Works’ (page 121) be reduced to the estimate of 1922-23.”

Khan Bahadur Sarfaraz Hussain Khan: I do not move my amendment.

Mr. N. M. Samarth: I move:

“That the demand under the head ‘Civil Works’ including expenditure in England be reduced by Rs. 87,25,080.”

I will not make a speech. I have already said that these are amounts required not for repairs but for original works and should be transferred to the Capital account. Rs. 52 lakhs of them are for Waziristan and there are other items charged to revenue the total amount of which is Rs. 92,82,000. I deduct interest at 6 per cent., which amounts to Rs. 5,56,920, and the remaining Rs. 87,25,080 is the amount by which I want a reduction. The reduction to be made is this that this amount be transferred to the Capital account and the interest that I have mentioned, that is, Rs. 5,56,920, be made chargeable to Revenue.

Mr. Ashruff O. Jamall (Bengal: Nominated Non-Official): Sir, I rise to support the motion just now moved by my Honourable friend, Mr. Samarth. On the 6th instant I made a remark in this House that there were some charges made to revenue which should go to capital account. I understand from the Honourable the Finance Member that those charges which are of an unproductive nature should not be taken to capital but should be taken to revenue. He went as far as saying on Sir Montagu Webb's remarks that it would be faking accounts. With due respect to his high authority I beg to differ. Take the case of a building of a factory. You have the main building of a factory in which you put your machinery. Take the cooly lines that you build for a factory. The main building or the cooly lines or barracks are all unproductive, but do you carry them to revenue account? Certainly not. It all goes to capital in the ordinary course. Take the four walls of a building that you erect. Do you carry that to revenue? No. It is unproductive, but goes to capital account. Sir Montagu Webb rightly remarked the other day that if our pockets were full, if we were not asked to put fresh taxation, then if we charged this to revenue it would be different but in the present condition of the country's finances when we are faced with a deficit budget, I think that such charges should go to capital account and not to revenue expenditure. With these remarks I support the amendment of my Honourable friend, Mr. Samarth.

The Honourable Sir Basil Blckett: I should like Members of the House to imagine themselves in possession of a lakh of rupees which they want to invest. They receive a prospectus from a company which is appealing for subscriptions for a crore. It is going to spend that crore in putting up a factory which is going to produce no revenue. It is not the crore that is going to produce the revenue though there may be other things which go to produce the revenue. They do not pretend it is productive. Would anybody invest capital in such a company? They would invest their capital in a company that was re-productive. Is a road in Waziristan reproductively productive? How can it be regarded as capital expenditure? I have already expressed myself at great length on this subject and I do not wish at this time of the day on the last day of the discussion of the Estimates to reopen the controversy about charging certain items to revenue or to capital. I have stated that I would be no party to faking the estimates and I stand by that statement. We have got a deficit this year which we are trying to cover. If we do not cover it we end the year with a

increased amount of unproductive debt. If we say that a certain amount of our expenditure on public works and other things ought to be charged to capital and we proceed to charge it to capital and we do not attempt to cover it with revenue, at the end of the year we have got an increase in our unproductive debt. I appeal to the House—what is the difference between that and budgeting for a deficit? It is really silly to pretend in a year of this kind that you can balance your budget, when you are in difficulties, by calling a spade a potato. If you call it an agricultural implement, you may be a little nearer the truth but what you are suggesting in this case is that something that is obviously unproductive, that obviously yields no revenue should be treated as if it were a reproductive, useful asset in which you are investing money for the benefit of future generations. If the money we invest is going to earn revenue for the next generation, there is something to be said for charging it to capital and if the next generation is going to get the benefit of the revenue, there is no reason why it should not pay for a certain amount of the interest. If there is no revenue coming from it, why should you charge posterity with the expense of keeping up the unproductive building as well as with the cost of paying interest on the original capital cost? Posterity may have done nothing for us, but we have given a hundred crores deficit to posterity; is not that enough?

Sir Montagu Webb: I should like to say a word or two in support of Mr. Samarth's motion. It is perfectly true that roads in Waziristan are not likely to yield anything in the form of revenue, but I think we might look at the problem in this way: The system of finance which has been adopted during the last four or five years has been of a most severe character. This unfortunate country has had to pay for the whole of the last Afghan war, the whole of the recent expeditions on the Frontier out of current revenues; and now we are asked to pay still more for building roads, barracks, and other buildings into this God-forsaken place Waziristan, and all out of revenue. (*The Honourable Sir Basil Blackett*: "Not all out of revenue.") As far as I can see, Sir, all out of revenue. (*The Honourable Sir Basil Blackett*: "A hundred crores out of deficits of the last few years.") The deficits of the past years, Sir, have been filled by borrowing and by—I will not permit myself to use the expression "faking" the currency,—but by, shall we say, enlarging the paper currency. Well, Sir, that is equal and tantamount to borrowing. But the point I desire to put before this House is that this is very severe finance. I think it is not at all unreasonable, if we have to incur excessive expenditure in times of difficulty, to suggest that this expenditure especially capital expenditure, should be spread over a series of years rather than placed—all of it, into our current revenue budget when we frankly have not got the money to pay for it. For that reason, Sir, I think there is a very good argument indeed for spreading this excessive expenditure on the Frontier over a series of years, and I myself should see no harm whatever in the circumstances in putting a certain amount of capital outlay now being expended in Waziristan into capital and leaving posterity to bear some small portion of that outlay. For that reason, Sir, I support Mr. Samarth's amendment.

Sir Deva Prasad Sarvadhikary: Sir, the hand of the clock is moving forward and I see Sir Basil Blackett's spirits are rising. Phoenix-like immobility of expression, now and again brightened by *Omar Khayyam* like twinklings of the eye, is disappearing and we are repeatedly warned against

[Sir Deva Prasad Sarvadhikary.]

"faking." The Assembly is also beginning to be guilty of what is called by the Finance Member silly things. Luckily His Excellency the Commander-in-Chief is not here, otherwise he would not have very much relished the idea of having called the Waziristan investments a profitless and unprofitable concern. Because "posterity has done nothing" for Sir Basil Blackett, as he puts it, he would not like posterity to pay. But posterity will or ought at least to pay for security, if there is real security in the matter. What is the one reason of our becoming "silly," as we have been charged to-day? We have had the whole philosophy of "lag" dumped down for our benefit and laggards have been tolerated and encouraged. I see Sir Basil Blackett worships with me at a common shrine and that is wisdom bubbling Punch. He gave us a dose of Punch in his opening speech. I should like to give him another. He may have seen a recent cartoon in 'Punch' about incorrigible and habitual sitters-out who are a nuisance and enterprising hostesses have been advised to provide for a moving stairway on which these sitters-out dump themselves down when they ought to do otherwise. What the Finance Member should have done as soon as he took charge of the entertainment, was to provide this moving stairway and get his habitual sitters-out on it, not to allow them lag to the extent he has permitted but to compel them to give effect to as much of the Incheape reductions as possible. Because that has not been done, because we have to meet what, to borrow Sir Basil's language, may be called a "faked" deficit, we are drifting to all sorts of shifts. He reminded the House that the Provincial Governments are fond of their little baby deficits which they want to nurse and display by way of exciting commiseration. Some Member here asked whether the Government of India itself was not doing the same, and now that he is within a few minutes of having everything his own way the Finance Member reminds the House that profitless and unprofitable investments like those in Waziristan ought not to be paid for by posterity, because, some old number of Punch had probably taught him that posterity had done nothing for us.

The Honourable Mr. B. N. Sarma: Sir, I think it is my duty to point out that the Waziristan expenditure amounts to only 49 lakhs and odd as against the 87 lakhs proposed to be transferred to the head "Capital" by means of reduction under this head. That is one point, and the other point is that the whole of the Public Works accounts and the principle on which that expenditure is being incurred for the last so many years, proceed on the assumption that we should look to Revenue for items of an unproductive character. Many of these items, Kabul Legation and many of these roads, etc., are of an unproductive character and it would be dangerous to transfer all of them to the head "Capital".

Mr. President: The original question was:

"That a sum not exceeding Rs. 1,16,37,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Civil Works' including expenditure in England."

Since which a motion for reduction has been made:

"That the demand under the head 'Civil Works' including expenditure in England be reduced by Rs. 87,25,080."

The question is that that reduction be made.

The Assembly divided :

AYES—47.

Abdul Majid, Sheikh.
 Abdul Quadir, Maulvi.
 Abdulla, Mr. S. M.
 Agarwala, Lal. Girdharilal.
 Ahmed, Mr. K.
 Aiyer, Sir P. S. Sivaswamy.
 Asjad-ul-lah, Maulvi Miyan.
 Ayyangar, Mr. M. G. M.
 Bagde, Mr. K. G.
 Barodawalla, Mr. S. K.
 Barua, Mr. D. C.
 Basu, Mr. J. N.
 Bhanja Deo, Raja R. N.
 Bhargava, Pandit J. L.
 Das, Babu B. S.
 Faiyaz Khan, Mr. M.
 Gajjan Singh, Sardar Bahadur.
 Gulab Singh, Sardar.
 Iswar Saran, Munshi.
 Jatri, Mr. S. H. K.
 Jamall, Mr. A. O.
 Jannadas Dwarkadas, Mr.
 Jatkar, Mr. B. H. R.
 Joshi, Mr. N. M.

Lakshmi Narayan Lal, Mr.
 Latthe, Mr. A. B.
 Mahadeo Prasad, Munshi.
 Mudaliar, Mr. S.
 Muhammad Ismail, Mr. S.
 Mukherjee, Mr. J. N.
 Nag, Mr. G. C.
 Nayar, Mr. K. M.
 Neogy, Mr. K. C.
 Ramayya Pantulu, Mr. J.
 Reddi, Mr. M. K.
 Samarth, Mr. N. M.
 Sarvadhikary, Sir Deva Prasad.
 Sassoon, Capt. E. V.
 Schannad, Mr. Mahmood.
 Singh, Babu B. P.
 Sinha, Babu Ambica Prasad.
 Sinha, Babu L. P.
 Sohan Lal, Mr. Bakshi.
 Subrahmanayam, Mr. C. S.
 Venkatapatiraju, Mr. B.
 Vishindas, Mr. H.
 Webb, Sir Montagu.

NOES—48.

Abdul Rahim Khan, Mr.
 Abdul Rahman, Munshi.
 Abul Kasem, Maulvi.
 Achariyar, Rao Bahadur P. T.
 Srinivasa.
 Ahsan Khan, Mr. M.
 Aiyar, Mr. A. V. V.
 Akram Hussain, Prince A. M. M.
 Allen, Mr. B. C.
 Amjad Ali, Maulvi.
 Ayyar, Mr. T. V. Seshagiri.
 Blackett, Sir Basil.
 Bradley-Birt, Mr. F. B.
 Bray, Mr. Denys.
 Brayne, Mr. A. F. L.
 Bridge, Mr. G.
 Chatterjee, Mr. A. C.
 Chaudhuri, Mr. J.
 Clark, Mr. G. S.
 Cotelingam, Mr. J. P.
 Crookshank, Sir Sydney.
 Faridoonji, Mr. R.
 Gidney, Lieut.-Col. H. A. J.
 Ginwala, Mr. P. P.
 Girdhardas, Mr. N.

Haigh, Mr. P. B.
 Hailey, the Honourable Sir Malcolm.
 Hindley, Mr. C. D. M.
 Holme, Mr. H. E.
 Hullah, Mr. J.
 Ikramullah Khan, Raja Mohd.
 Innes, the Honourable Mr. G. A.
 Jejeebhoy, Sir Jamssetjee.
 Kamat, Mr. B. S.
 Ley, Mr. A. H.
 Lindsay, Mr. Darcy.
 Mitter, Mr. K. N.
 Moir, Mr. T. E.
 Muhammad Hussain, Mr. T.
 Nabi Hadi, Mr. S. M.
 Nand Lal, Dr.
 Percival, Mr. P. E.
 Ramji, Mr. Manmohandas.
 Rhodes, Sir Campbell.
 Sams, Mr. H. A.
 Sarfaraz Hussain Khan, Mr.
 Singh, Mr. S. N.
 Townsend, Mr. C. A. H.
 Willson, Mr. W. S. J.

The motion was negatived.

Mr. B. N. Misra (Orissa Division: Non-Muhammadian): My amendment is :

"That the demand under the head 'Civil Works' including expenditure in England be reduced by Rs. 5,00,000."

Although my motion is for a reduction of 5 lakhs, I wish with your permission to move for a reduction of one rupee only, and my object in doing so is this. The Province of Bihar and Orissa is known as the youngest Province and Honourable Members are well aware of it. I think that is

[Mr. B. N. Misra.]

the reason why we have been given a seat very near the Chair, very near the Honourable the Government Members, so that they will protect us with much more care. But unfortunately, Sir, you will find the cruelest cuts which have been made by Sir Sydney Crookshank have been directed against this youngest of the Provinces. He mentioned to this Honourable House that he has made a cut of Rs. 11 lakhs and out of that amount he wants to cut one lakh for the Pusa Institute and two lakhs for the building for the School of Mines at Dhanbad. I submit, Sir, that, although Bihar and Orissa is the youngest province in India, it is the richest province with its hidden wealth. Honourable Members are well aware of the coal mines of Jherriah, Dhanbad and the recently discovered coal mines at Talchar. They are aware also of the Tata Iron Works at Jamsedpur and so many other mines that exist in the Hill Tracts of Orissa in the province of Bihar and Orissa. Sir, Honourable Members want to develop industry and to open up the resources of the country. Unless there is a School of Mines and Geology at Dhanbad, this object cannot be achieved. (*Cries of "Withdraw, withdraw."*) Sir, the province of Bihar and Orissa is not only the youngest province but it is also known to be the poorest province. I submit that the Honourable Sir Sydney Crookshank ought to find the 3 lakhs from elsewhere and not give this cut to this the youngest province. (*Cries of "Withdraw, withdraw."*) No, Sir, I will not withdraw. My province is vitally interested in mines and we have no other wealth. Honourable Members want money and where are they to get it unless they open up the resources of the country and the best way to open the resources of the country is by having a School of Mines in a place which is full of these mines. Sir, I implore the Honourable Members of this House to remember that at least this item should not be cut and that the School of Mines should be built as early as possible. The Government of Bihar and Orissa cannot do it. The work has been taken up by the Central Government. I earnestly request Sir Sydney Crookshank and the Department not to make this cut, as the work is shown to be in progress and has been sanctioned. If the Honourable Member wants the money he should find it from anywhere else, and not make this cut.

The motion was negatived.

Mr. President: The question is:

"That a sum not exceeding Rs. 1,16,37,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Civil Works' (under the control of the Public Works Department)."

The motion was adopted.

DEMAND NO. 56—EXPENDITURE IN ENGLAND UNDER THE CONTROL OF THE SECRETARY OF STATE FOR INDIA.

Mr. President: The question is:

"That a sum not exceeding Rs. 14,82,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Expenditure in England under the control of the Secretary of State for India'."

The motion was adopted.

DEMAND No. 57—EXPENDITURE IN ENGLAND UNDER THE CONTROL OF THE HIGH COMMISSIONER FOR INDIA.

Mr. President: The question is:

“That a sum not exceeding Rs. 77,88,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March 1924, in respect of ‘Expenditure in England under the control of the High Commissioner for India’.”

The motion was adopted.

DEMAND No. 58—EXPENDITURE CHARGED TO CAPITAL IN RESPECT OF RAILWAYS.

Mr. President: The question is:

“That a sum not exceeding Rs. 38,61,93,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Expenditure charged to Capital in respect of Railways’.”

Mr. B. Venkatapatiraju: Sir, as His Excellency the Viceroy has not acceded to our request for more time to discuss these demands, we are hastening to take all these together in a few minutes. I suggest that there should be a reduction of 10 crores in the provision under the head Railways (page 288), but as there are several amendments for a reduction of Rs. 8,61,00,000, I move for the reduction of Rs. 8,61,00,000.

The Inchcape Committee suggested that we should not waste our money even though it was available for us on unremunerative Railway lines. I shall read only one sentence from that Report which will convince every one that it is useless to spend money merely because it is available. At page 78 they say:

“This being so, we cannot believe that it is legitimate under any circumstances to put Rs. 67 crores of capital, borrowed at a high rate of interest, into lines which are already a very heavy drain on the resources of the State and we recommend that, except in case of commitments already entered upon, no further capital expenditure be incurred on these lines until the whole position has been examined by the Financial Adviser and reviewed by the Government.”

They suggest that the money could with advantage be devoted to the construction of new lines promising an adequate return.

I will just mention that, leaving aside the amount which is shown as capital expenditure, if you take proper account of the amount already spent out of our revenues we have lost something like 68 crores, and if interest is added to that, it amounts to 300 crores. Apart from that amount we have to realise not less than 35 crores on the admitted capital outlay whereas we are realising from 28 to 30 crores. How can we profitably employ more funds, unless we can show a better return? Therefore under these circumstances I appeal that the amount be reduced by Rs. 8,61,00,000.

The Honourable Mr. C. A. Innes: Sir, I sincerely hope that the House will not accept a motion of this kind moved in such hurried fashion. I would remind the House that only last year we decided in this Assembly that we should amend our ways in regard to railway capital expenditure. We have received, only just received, the very important report of the Acworth Committee. The whole burden of that Report was a protest

[Mr. C. A. Innes.]

against the way in which the railways had been financed. They described it, not exactly in those terms, but they suggested that the railways had been financed in a hand-to-mouth fashion. They (the railways) never knew at the time when the year was about to commence what money they were to receive for capital expenditure. The Committee laid the greatest possible stress that there should be no lapse of allotment from year to year in order that the railways might proceed with their capital expenditure on a definite orderly programme. The House therefore, again following the Acworth Committee, decided that this programme of 30 crores a year should be embarked upon for a period of five years in order that the railways might be rehabilitated.

I need not repeat what I said on Tuesday regarding the appalling state into which our railways have been allowed to get and regarding the paralysing effect which the deficiencies of our railways have had upon the trade and the transport and commerce of our country. It was only last year we came to that decision. In the first year it was inevitable that we could not spend the whole of the allotment. That allotment has been carried on to the year 1923-24; and now it is proposed to destroy those programmes altogether, to throw the whole thing into the melting pot by making a cut of not less than 8 crores. If that is done, I ask the House in all seriousness, what reputation for political stability will this House have, and what guarantee we who are trying to run the railways will have that ever again we can look to the stability of our system of finance? Again we are going back to the old hand-to-mouth system; again the railways are going to be sacrificed to the exigencies of the general financial position. I ask this House, are they going to place us in a position of that kind, and if so, what the position of those who are trying to run these railways will be in the future? It is perfectly true that, according to the recommendations of the Inchcape Committee, as soon as we have that Financial Adviser, we will re-examine these programmes. As a matter of fact we have already taken that matter in hand; the Agents of all the railways are coming to Delhi next week and we propose to re-examine those programmes; owing to the cuts which we have had to make in programme revenue expenditure it is unlikely that we shall be able to spend all these 38 crores next year, and we will re-examine these programmes and if we see our way in the light of that re-examination to inform the Finance Department of a probable saving in capital expenditure, the House may rest assured that we shall inform the Finance Department accordingly. I would point out to the House that by making this cut they are not in any way going to affect the revenue budget for the next year; they are not in any way going to reduce the budget; all you are going to do is to throw the programmes of capital expenditure which we have embarked upon with the fullest concurrence and authority of this House, to throw them into most utter confusion. I suggest that the wise plan is to leave it to us. You have got this Inchcape Committee's Report; we propose to re-examine the whole matter in consultation with the Agents and in consultation with the Financial Adviser. That is a wise position for this House to take up, and I hope that the House will not accept this motion.

Mr. B. S. Kamat: Sir, it is necessary just to say a word or two in reply to the Honourable Mr. Innes. It is perfectly true that the Acworth Committee advised a large expenditure on the Railways; it is perfectly true also that this Assembly has committed itself last year to a capital

expenditure of 30 crores per annum. But we have to act each year according to the financial exigencies of the times, and if we ask that Rs. 88,61 lakhs should not be spent this year, it does not mean that the view of this Assembly is to give up the principle of lapses. The only reason is that the Inchcape Committee's Report which came on top of the Acworth Committee's Report has shown clearly to this House that there is a surplus of engines, there is a surplus of rolling stock in certain cases on the railways, and a mere windfall of 38 crores would be misspent during the next year, if we do not curtail it by 861 lakhs; we have enough engines and enough rolling stock, and it is unnecessary, therefore, to purchase more engines and more rolling stock unless it has been shown to us to our satisfaction that this expenditure on engines and other things is necessary in 1923-24. Then again if we save 861 lakhs, we save a great deal of interest; and I think taking this year's deficit and other points into consideration we would be perfectly justified in withholding this 861 lakhs, not because we want to give up the policy of spending on railways but because the railways have enough of stock and enough of engines and other material to go on with.

Sir Montagu Webb: Sir, I oppose this amendment; it is perfectly true that the Inchcape Committee have recommended certain investigations and possible savings in certain directions; but they do not recommend any cutting down of capital expenditure as a whole; and while further investigation will no doubt show that it may be possible to save in certain directions, I have no doubt that investigation would prove that it will be wise to spend more in other directions. I would ask the House, therefore, to reject this amendment.

Sir Campbell Rhodes: Sir, I am sorry to disoblige my friends, but I am afraid I cannot let this go with a silent vote. I remember a short time ago a very important committee meeting in Calcutta and discussing this question and after long argument coming to a decision which I think was unanimous and which included some of the most distinguished Members of this House of all parties, that during the next five years a sum of Rs. 150 crores should be set aside for the rehabilitation of the lines. If the proposition before the House is that the North-Western Railway should be abolished as an unremunerative line, as a representative from Bengal, I do not think I have any objection to raise. But I do say as regards the lines on our side of India, that 30 crores a year are absolutely insufficient. If any Member will travel down from Delhi to Calcutta, he will find at every siding station one, or very often, two goods trains waiting to let the Punjab Mail pass. These trains contain coal very largely for up-country industries. The coal position is getting serious. If Honourable Members will take the trouble to read the speech of the President of the Indian Mining Association in the paper this morning, they will see there a reference to the desperate position into which the industries of India are getting owing to the lack of facilities both for opening up new coal fields and for developing those we have. I think Honourable Members will agree with me that the industries of this country are closely connected with the coal supply. As I pointed out, Sir, in the Fiscal Commission debate, sea freights are falling month by month, and against that we are putting up our railway freights, we are destroying our railway facilities, and we are not enabling our Indian industries to compete with imported goods. Our consuming centres are very largely at the ports.

[Sir Campbell Rhodes.]

I can mention, for instance, sugar. We are preventing the sugar growers of the central portions of India from competing in the Calcutta market. The freights from Java are very low. Honourable Members by refusing this grant will be helping the foreigner against our own industries, and with what advantage, I cannot say, because the money that can be invested in railways is not unremunerative; it will pay its own interest if properly invested and it will do more, and I am rather surprised that Honourable Members who have been with me on the Fiscal Commission and who have investigated this question of railway facilities should now come forward and say we do not want our railways.

Mr. T. V. Seshagiri Ayyar: I never said that.

Sir Campbell Rhodes: It is well known, Sir, that all railway development was stopped during the war, that we are years behind, that our rolling stock is in a hopeless condition and that rehabilitation is absolutely essential, and I quite agree with the Retrenchment Committee that, while it may be undesirable to spend money at the present high rate of interest where there is no hope of a return, surely it is an ordinary commercial proposition to invest money where there is not only a return to the railways, but what is still more important, a valuable return to the industries of the country. If this amendment is going to be passed, I think Honourable Members might as well throw the Fiscal Commission Report into the waste-paper basket, because that Report dealt very fully with this question, and it pointed out that protection was useless unless we have something to protect, and if we are to starve our lines of communications, we are going to starve our own industries, and we are rapidly bringing about a time when the coal position will become absolutely intolerable and the whole industry of the country will be turned upside down. Sir, I strongly object to this amendment.

Mr. C. D. M. Hindley (Chief Commissioner, Railways): Sir, I am not quite sure whether to take this trifling cut which is proposed of 8 crores as a vote of censure on my Department or as a practical measure for reducing the commitments of India during the ensuing year. I am inclined to think from the speeches which have been made in favour of making this cut that the intention probably is to express disapproval of the way in which the Railways have been run. Well, Sir, I have been through a good deal of this during the last two or three days and, in comparison with the proposal for a vote of censure by moving a reduction of one rupee which the House was good enough to reject, this proposed cut of 8 crores regarded as a vote of censure really leaves me cold.

I should like to take up one or two points in Mr. Kamat's speech. He says that the Retrenchment Committee have shown that there are surplus engines, surplus wagons, and surplus everything else, which are not being properly used. Now, Sir, I think perhaps, in reading the Retrenchment Committee's Report, Honourable Members may have been misled in one respect, not noticing that the figures referred to were those mainly of 1921-22. There can be no doubt whatever that the position is rapidly changing now. Our traffic earnings are improving week by week and the need for engines and wagons for railway facilities is increasing as it was increasing in the years before. We certainly had bad years, we had bad traffic years, but there is little doubt that we are on the eve of

large traffic developments. Now, Sir Campbell Rhodes has shown the position in the coalfields. He has also referred to the sugar position and I believe there is no Honourable Member here who has any experience of Railways and the effects of railway working on the trade of the country, who will not agree that the Railways at the present time are unable to effectively move the traffic which is offering. If and when we have another revival of trade, such as a large movement of wheat or a revival of the coal output in the collieries, we shall be in exactly the same position as we were in a few years ago when the Railways were impossibly congested, and I say that this is not the time, when we are on the eve of a development of traffic, this is not the time to curtail our expenditure on development.

In regard to the practical effects of a cut such as some Honourable Members propose to make, it must be remembered, and anyone 5 P.M. who has taken the trouble to read through Appendix C will see at once, that the amount which we are budgeting to spend in this year forms part of a series of practical measures of development. It is not that we are just taking this year by itself and saying "We will buy so many engines and so many wagons." What we have got in our budget this year is part of a continuous scheme of development, and, if this cut is to be made now, as the Honourable Mr. Innes has pointed out, immense damage will be done to the orderly progress of these programmes. Not that, as someone mentioned the other day, it will cause me inconvenience; I don't mind that a bit. But it will cause inconvenience to the proper working out of our schemes of development.

Mr. President: The original question was:

"That a sum not exceeding Rs. 38,61,93,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Expenditure on Railways charged to capital'."

Since which a motion for reduction has been moved:

"That the provision for construction of State Railways under the head 'Railways' be reduced by Rs. 8,61,00,000."

The question I have to put is that that reduction be made.

The Assembly divided

AYES—31.

Abdul Majid, Sheikh.
Abdulla, Mr. S. M.
Agarwala, Lala Girdharilal.
Ahmed, Mr. K.
Asjad-ul-lah, Maulvi Miyan.
Ayyangar, Mr. M. G. M.
Ayyar, Mr. T. V. Seshagiri.
Bagde, Mr. K. G.
Basu, Mr. J. N.
Chaudhuri, Mr. J.
Das, Babu B. S.
Faiyaz Khan, Mr. M.
Gulab Singh, Sardar.
Jafri, Mr. S. H. K.
Jatkar, Mr. B. H. R.
Joshi, Mr. N. M.

Kamat, Mr. B. S.
Lakshmi Narayan Lal, Mr.
Mahadeo Prasad, Munshi.
Mudaliar, Mr. S.
Nag, Mr. G. C.
Nand Lal, Dr.
Neogy, Mr. K. C.
Reddi, Mr. M. K.
Sarvadhikary, Sir Deva Prasad.
Singh, Babu B. P.
Sinha, Babu Ambica Prasad.
Srinivasa Rao, Mr. P. V.
Subrahmanayam, Mr. C. S.
Venkatapatiraju, Mr. B.
Vishindas, Mr. H.

NOES—53.

Abdul Rahim Khan, Mr.
 Abul Kasem, Maulvi.
 Achariyar, Rao Bahadur P. T.
 Srinivasa.
 Aiyar, Mr. A. V. V.
 Aiyer, Sir P. S. Sivaswamy.
 Akram Hussain, Prince A. M. M.
 Allen, Mr. B. C.
 Amjad Ali, Maulvi.
 Barua, Mr. D. C.
 Blackett, Sir Basil.
 Bradley-Birt, Mr. F. B.
 Bray, Mr. Denya.
 Brayne, Mr. A. F. L.
 Bridge, M. G.
 Chatterjee, Mr. A. C.
 Clark, Mr. G. S.
 Cotelingam, Mr. J. P.
 Crookshank, Sir Sydney.
 Faridoonji, Mr. R.
 Gajjan Singh, Sardar Bahadur.
 Gidney, Lieut.-Col. H. A. J.
 Ginwala, Mr. P. P.
 Haigh, Mr. P. B.
 Hailey, the Honourable Sir Malcolm.
 Hindley, Mr. C. D. M.
 Holme, Mr. H. E.

Hullah, Mr. J.
 Ikramullah Khan, Raja Mohd.
 Innes, the Honourable Mr. C. A.
 Jamall, Mr. A. O.
 Jamnadas Dwarkadas, Mr.
 Jejeebhoy, Sir Jamsetjee.
 Ley, Mr. A. H.
 Lindsay, Mr. Darcy.
 Misra, Mr. B. N.
 Mitter, Mr. K. N.
 Moir, Mr. T. E.
 Muhammad Ismail, Mr. S.
 Mukherjee, Mr. J. N.
 Nayar, Mr. K. M.
 Percival, Mr. P. E.
 Ramayya Pantulu, Mr. J.
 Rhodes, Sir Campbell.
 Samarth, Mr. N. M.
 Sams, Mr. H. A.
 Sarfaraz Hussain Khan, Mr.
 Sassoon, Capt. E. V.
 Schamnad, Mr. Mahmood.
 Singh, Mr. S. N.
 Sohan Lal, Mr. Bakshi.
 Townsend, Mr. C. A. H.
 Webb, Sir Montagu.
 Willson, Mr. W. S. J.

The motion was negatived.

Mr. President: The question is:

"That a sum not exceeding Rs. 38,61,93,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Expenditure on Railways charged to Capital'."

The motion was adopted.

DEMAND No. 9—IRRIGATION, ETC.

Mr. President: The question is:

"That a sum not exceeding Rs. 12,97,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Irrigation (including Working Expenses), Navigation, Embankment and Drainage Works'."

The motion was adopted.

DEMAND No. 13—INTEREST ON MISCELLANEOUS OBLIGATIONS.

Mr. President: The question is:

"That a sum not exceeding Rs. 3,20,93,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Interest on Miscellaneous Obligations'."

The motion was adopted.

DEMAND No. 15—AUDIT.

Mr. President: The question is:

"That a sum not exceeding Rs. 69,72,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Audit'."

The motion was adopted.

DEMAND NO. 16—JAILS AND CONVICT SETTLEMENTS.

Mr. President: The question is:

“That a sum not exceeding Rs. 2,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Jails and Convict Settlements’.”

The motion was adopted.

DEMAND NO. 17—POLICE.

Mr. President: The question is:

“That a sum not exceeding Rs. 22,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Police’.”

The motion was adopted.

DEMAND NO. 18—PORTS AND PILOTAGE.

Mr. President: The question is:

“That a sum not exceeding Rs. 11,08,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of Ports and Pilotage’.”

The motion was adopted.

DEMAND NO. 19—SURVEY OF INDIA.

Mr. President: The question is:

“That a sum not exceeding Rs. 19,97,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Survey of India’.”

The motion was adopted.

DEMAND NO. 20—METEOROLOGY.

Mr. President: The question is:

“That a sum not exceeding Rs. 5,62,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Meteorology’.”

The motion was adopted.

DEMAND NO. 21—GEOLOGICAL SURVEY.

Mr. President: The question is:

“That a sum not exceeding Rs. 1,72,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Geological Survey’.”

The motion was adopted.

DEMAND NO. 22—BOTANICAL SURVEY.

Mr. President: The question is:

“That a sum not exceeding Rs. 17,82,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Botanical Survey’.”

The motion was adopted.

DEMAND No. 23—ZOOLOGICAL SURVEY.

Mr. President: The question is:

“That a sum not exceeding Rs. 1,10,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Zoological Survey’.”

The motion was adopted.

DEMAND No. 24—ARCHÆOLOGY.

Mr. President: The question is:

“That a sum not exceeding Rs. 12,45,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Archæology’.”

The motion was adopted.

DEMAND No. 25—MINES.

Mr. President: The question is:

“That a sum not exceeding Rs. 1,06,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Mines’.”

The motion was adopted.

DEMAND No. 26—OTHER SCIENTIFIC DEPARTMENTS.

Mr. President: The question is:

“That a sum not exceeding Rs. 4,70,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Other Scientific Departments’.”

The motion was adopted.

DEMAND No. 28—MEDICAL SERVICES.

Mr. President: The question is:

“That a sum not exceeding Rs. 7,30,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Medical Services’.”

The motion was adopted.

DEMAND No. 29—PUBLIC HEALTH.

Mr. President: The question is:

“That a sum not exceeding Rs. 3,57,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Public Health’.”

The motion was adopted.

DEMAND No. 30—AGRICULTURE.

Mr. President: The question is:

“That a sum not exceeding Rs. 6,61,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Agriculture’.”

The motion was adopted.

DEMAND No. 31—CIVIL VETERINARY SERVICES.

Mr. President: The question is:

"That a sum not exceeding Rs. 6,11,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Civil Veterinary Services'."

The motion was adopted.

DEMAND No. 32—INDUSTRIES.

Mr. President: The question is:

"That a sum not exceeding Rs. 44,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Industries'."

The motion was adopted.

DEMAND No. 33—AVIATION.

Mr. President: The question is:

"That a sum not exceeding Rs. 19,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Aviation'."

The motion was adopted.

DEMAND No. 35—CENSUS.

Mr. President: The question is:

"That a sum not exceeding Rs. 26,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Census'."

The motion was adopted.

DEMAND No. 36A—INTERNAL EMIGRATION.

Mr. President: The question is:

"That a sum not exceeding Rs. 56,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Internal Emigration'."

The motion was adopted.

DEMAND No. 36B—EXTERNAL EMIGRATION.

Mr. President: The question is:

"That a sum not exceeding Rs. 44,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'External Emigration'."

The motion was adopted.

DEMAND No. 37—JOINT STOCK COMPANIES.

Mr. President: The question is:

"That a sum not exceeding Rs. 1,33,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Joint Stock Companies'."

The motion was adopted.

DEMAND NO. 38—MISCELLANEOUS DEPARTMENTS.

Mr. President: The question is:

"That a sum not exceeding Rs. 18,37,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Miscellaneous Departments'."

The motion was adopted.

DEMAND NO. 39—CURRENCY.

Mr. President: The question is:

"That a sum not exceeding Rs. 49,68,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Currency'."

The motion was adopted.

DEMAND NO. 40—MINT.

Mr. President: The question is:

"That a sum not exceeding Rs. 15,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Mint'."

The motion was adopted.

DEMAND NO. 42—SUPERANNUATION ALLOWANCES AND PENSIONS.

Mr. President: The question is:

"That a sum not exceeding Rs. 38,44,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Superannuation Allowances and Pensions'."

The motion was adopted.

DEMAND NO. 45—ADJUSTMENTS WITH PROVINCIAL GOVERNMENTS.

Mr. President: The question is:

"That a sum not exceeding Rs. 3,62,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Adjustments with Provincial Governments'."

The motion was adopted.

DEMAND NO. 46—REFUNDS.

Mr. President: The question is:

"That a sum not exceeding Rs. 7,17,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of 'Refunds'."

The motion was adopted.

DEMAND NO. 47—NORTH-WEST FRONTIER.

Mr. President: The question is:

"That a sum not exceeding Rs. 1,02,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of the 'North-West Frontier'."

The motion was adopted.

DEMAND No. 48—BALUCHISTAN.

Mr. President: The question is:

“That a sum not exceeding Rs. 26,83,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Baluchistan’.”

The motion was adopted.

DEMAND No. 50—COORG.

Mr. President: The question is:

“That a sum not exceeding Rs. 13,27,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Coorg’.”

The motion was adopted.

DEMAND No. 51—AJMER AND MERWARA.

Mr. President: The question is:

“That a sum not exceeding Rs. 14,59,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Ajmer-Merwara’.”

The motion was adopted.

DEMAND No. 52—ANDAMANS AND NICOBAR ISLANDS.

Mr. President: The question is:

“That a sum not exceeding Rs. 41,59,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘the Andamans and Nicobar Islands’.”

The motion was adopted.

DEMAND No. 53—RAJPUTANA.

Mr. President: The question is:

“That a sum not exceeding Rs. 4,39,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Rajputana’.”

The motion was adopted.

DEMAND No. 54—CENTRAL INDIA.

Mr. President: The question is:

“That a sum not exceeding Rs. 6,32,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Central India’.”

The motion was adopted.

DEMAND No. 55—HYDERABAD.

Mr. President: The question is:

“That a sum not exceeding Rs. 1,77,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Hyderabad’.”

The motion was adopted.

DEMAND No. 59—IRRIGATION CHARGED TO CAPITAL.

Mr. President: The question is:

“That a sum not exceeding Rs. 22,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Expenditure on Irrigation charged to Capital.’”

The motion was adopted.

DEMAND No. 60—TELEGRAPHS CHARGED TO CAPITAL.

Mr. President: The question is:

“That a sum not exceeding Rs. 94,30,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Expenditure on Telegraphs charged to Capital.’”

The motion was adopted.

DEMAND No. 61—NEW CAPITAL AT DELHI CHARGED TO CAPITAL.

Mr. President: The question is:

“That a sum not exceeding Rs. 1,93,24,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Expenditure on New Capital at Delhi charged to Capital.’”

The motion was adopted.

DEMAND No. 62—INTEREST FREE ADVANCES.

Mr. President: The question is:

“That a sum not exceeding Rs. 9,13,69,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Interest free Advances.’”

The motion was adopted.

DEMAND No. 63—LOANS AND ADVANCES BEARING INTEREST.

Mr. President: The question is:

“That a sum not exceeding Rs. 14,48,68,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1924, in respect of ‘Loans and Advances bearing Interest.’”

The motion was adopted.

SUMMARY OF CUTS IN DEMANDS.

The Honourable Sir Basil Blackett: Sir, I think it would be for the convenience of the House in view of Monday's debate on the Finance Bill if I were to sum up the position as regards Revenue and Expenditure as it stands after the voting on the Demands for Grants. I have also an announcement to make on behalf of the Governor General in Council. The

reductions that have been made by the House in the Estimates as presented are as follows :

	Rs.
Under the head ' Customs '	4 lakhs.
Under the head ' Railways,' there have been two separate cuts—	
one	50 "
and the other	1,14 "
Under the head ' General Administration '	5,10,000
Under the head ' Stamps '	100
Under the head ' Miscellaneous '	3 lakhs.

I have to announce that the Governor General in Council has decided that the cut of Rs. 114 lakhs in the Railways is one which cannot be made consistently with the discharge of his responsibilities. In regard to the other cuts, there has not been time of course for the Governor General in Council to consider the cut of Rs. 3 lakhs that was made under the head ' Miscellaneous ' to-day. But taking those cuts, the cut of Rs. 50 lakhs under Railways was agreed to by the Honourable Member in charge of Railways. The cut of Rs. 10,000 under ' General Administration ' was agreed by the House and they provided means for meeting it. The other cuts would, as I had to state to the House at the time when they were made, if it were attempted to put them into effect in full, almost inevitably make it impossible for us to carry on the General Administration, or in the case of Customs to collect the revenue which is due. The net expenditure as presented in the Budget was Rs. 130,87,92,000. A deduction of Rs. 7,27,000 has to be made from that in view of the fact that we were able to make cuts of a little over the 4 crores that I spoke of in the Budget speech. That reduces the total to Rs. 130,80,65,000. The cuts made by the House, excluding the one of Rs. 114 lakhs which I have mentioned, amount to Rs. 62,10,100, leaving the expenditure at the stage—Rs. 130,18,55,000. I have had to explain to the House that the estimates as presented were the lowest figure which having in mind the total as a whole, the Government could honestly put forward as likely to be reached in reduction of expenditure this year. We feel bound, therefore to ask that apart from that total of Rs. 130,18,55,000, which I have mentioned, and considering our deficit, we should make provision for expected supplementaries, mostly to replace the cuts that have been made, to a total of Rs. 12 lakhs. That leaves our expenditure at Rs. 130,30,55,000. As against that our revenue on the basis of taxation as it stands at present was put in accordance with the Budget speech at Rs. 126,61,71,000, leaving a deficit still to be covered of Rs. 3,68,84,000.

Mr. President: This House now stands adjourned till Eleven of the Clock on Monday morning, the 19th March, 1923. I may remind Honourable Members that arrangements have been made for an official photograph of the Assembly at 10-30 on Monday morning and I hope Honourable Members will be here before that hour.

The Assembly then adjourned till Eleven of the Clock on Monday, the 19th March, 1923.