

19th September, 1924

# THE LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume IV, Part VI

*(17th September to 24th September 1924)*

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FIRST SESSION

OF THE

SECOND LEGISLATIVE ASSEMBLY, 1924

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1924.

# Legislative Assembly.

## *The President :*

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## *Deputy President :*

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COLONEL SIR HENRY STANYON, KT., C.I.E., V.D., M.L.A.

HAJI WAJHUDDIN, M.L.A.

RAJA RAGHUNANDAN PRASAD SINGH, M.L.A.

MR. HARCHANDRAI VISHINDAS, C.I.E., M.L.A.

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# LEGISLATIVE ASSEMBLY.

*Friday, 19th September, 1924.*

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

## QUESTIONS AND ANSWERS.

### FIXATION OF AN ECONOMIC BASIC WAGE FOR INDIAN LABOURERS IN CEYLON.

2210. **\*Diwan Bahadur T. Rangachariar :** (a) Are the Government aware that assisted emigration on a very large scale is now going on to the Colony of Ceylon ?

(b) Have the Government received reports from their Agents in Ceylon and Malay States regarding the economic condition of the Indian labour population there and on the question of the economic minimum wages in the plantations and will the Government be pleased to lay them on the table ?

(c) When do the Government expect to be able to secure the fixation of an economic basic wage in Ceylon ?

(d) What steps do the Government propose to take to get the Government of Ceylon to settle the question without any more delay ?

**Mr. J. W. Bhore :** (a) Yes.

(b) Yes, but since the matter is still the subject of correspondence with the Colonial Governments concerned the Government of India regret that they are unable to comply with the Honourable Member's request.

(c) and (d). The Government of India are anxious to have the matter satisfactorily settled as soon as possible and have impressed this fact on the Colonial Governments. In Malaya their Agent is at present engaged on a preliminary inquiry into the question of wages and the cost of living. The Government of Ceylon have already completed one such inquiry through their Assistant Director of Statistics, a copy of whose report has been placed in the Library for the use of Honourable Members. The general conclusions embodied in that report did not, however, appear to be satisfactory and the Colonial Government have been asked to undertake a more comprehensive inquiry.

**Sir Purshotamdas Thakurdas :** Is there any other Colony where an economic basic wage is fixed for Indian labourers ?

**Mr. J. W. Bhore :** I am not aware of it, Sir.

**Sir Purshotamdas Thakurdas :** Are Government in communication with the other Colonies to this end ?

**Mr. J. W. Bhore :** No, Sir. Not at present.

**Sir Purshotamdas Thakurdas :** What about Mauritius ?

**Mr. J. W. Bhore :** The question of Maritius depends to some extent upon the report of the officer whom, as the Honourable Member knows, we are proposing to send there.

**Mr. N. M. Joshi :** Has there been no permanent Agent of the Government of India in Mauritius so far ?

**Mr. J. W. Bhore :** No, Sir.

**Mr. N. M. Joshi :** Why not ?

**Mr. J. W. Bhore :** Because we did not consider that the questions that arise there at the present moment are of sufficient importance to demand the presence of a permanent Agent. But we are sending an officer to report and we hope that he will be able to dispose of outstanding questions.

**Mr. N. M. Joshi :** Is it not a fact, Sir, that the Government of India are making a large sum of money out of the emigration fees ?

**The Honourable Sir Basil Blackett :** Not that I am aware of.

**Mr. N. M. Joshi :** Will the Honourable Member inquire ?

**The Honourable Sir Basil Blackett :** I am sure it is not so large a sum as to make me desire to spend more money on making these inquiries.

**Sir Purshotamdas Thakurdas :** Is it not the settled policy of the Government now to press for a settlement of the minimum economic wages for Indian labourers wherever they emigrate ?

**Mr. J. W. Bhore :** I am afraid it is not possible for me to give a definite reply in regard to the settled policy of Government in this matter.

**Sir Purshotamdas Thakurdas :** Have not the Government of India decided to press for this question of the minimum economic wages yet ?

**Mr. J. W. Bhore :** We have certainly decided to press for it so far as Ceylon and the Straits Settlements are concerned. As regards Mauritius, the matter is under consideration at the present moment.

**Mr. N. M. Joshi :** Will the Government of India consider the question of minimum wages on the plantations in India ?

**Mr. President :** That question does not arise.

**Diwan Bahadur T. Rangachariar :** Is this emigration designed in the best interests of the country ?

**Mr. J. W. Bhore :** The Honourable Member's next question deals with this point.

#### PREVENTION OF EMIGRATION OF ADULT LABOURERS FROM MADRAS.

2211. **\*Diwan Bahadur T. Rangachariar :** (a) Have the Government taken steps to keep themselves periodically informed as to the numbers of labourers assisted to emigrate to Ceylon and to ascertain whether this inflow of labour injuriously affects the position of resident labourers in the Colony ?

(b) Are the Government of India or the Madras Government taking any steps to prevent emigration of adult labour in large numbers from that Presidency so that the Presidency may not eventually suffer from dearth of labour especially in view of the recent devastations by flood ?

**Mr. J. W. Bhore :** (a) The reply is in the affirmative.

(b) The reply is in the negative. The Government of India are not aware that any adverse effect on the local supply of labour has been produced by the efflux of labourers from South India to Ceylon ; and no representations that such effects are being produced have been received by them.

**Diwan Bahadur T. Rangachariar :** Is it to the credit of this Government that the people of this country should go out of this country to earn a wage of five annas per day ?

**Mr. J. W. Bhore :** That, I think, is a matter for the employers of labour.

**Mr. A. Rangaswami Iyengar :** May I know, Sir, if the attention of the Government has been drawn to a paragraph in the newspapers to the effect that as many as 1,500 labourers from the Tanjore and Trichinopoly districts emigrated to Ceylon two or three weeks ago ?

**Mr. J. W. Bhore :** No, Sir. The attention of Government has not been drawn to this paragraph, but I have no reason to think that it is an exaggerated figure.

**Mr. N. M. Joshi :** Will the Government inquire why labourers from Madras go out in such a large number to Ceylon ?

**Diwan Bahadur T. Rangachariar :** Has there been any inquiry into the economic condition of the labour population in Southern India ? Do the Government consider it necessary to have one ?

**Mr. J. W. Bhore :** That is a matter with which the Government of Madras are primarily concerned.

**Mr. Chaman Lall :** Will the Honourable Member get an undertaking from the Ceylon Government that a minimum living wage will be given to the workers who go to Ceylon ?

**Mr. J. W. Bhore :** I have already said that the question of a minimum wage is at the present moment being considered in conjunction with the Government of Ceylon.

**Diwan Bahadur T. Rangachariar :** In one of the answers given by the Honourable Member, he referred to the employer. Does he consider that all the people who emigrate are employed under some other employers or are they a mere part of the population ?

**Mr. J. W. Bhore :** I think they are all part of the agricultural population, chiefly agricultural labourers.

**Diwan Bahadur T. Rangachariar :** Then what does the Honourable Member mean by saying that the question is one for the employers to consider ?

**Mr. J. W. Bhore :** I refer the Honourable Member to his question. I meant to say that if labourers got employment and proper wages here, they would not emigrate to Ceylon.

**Diwan Bahadur T. Rangachariar :** But, if they can find no employment, what do the Government propose to do ?

**Mr. J. W. Bhore :** I am sure, Sir, that Government cannot be expected to find employment for everybody and prevent those who want it from going in search of it.

SEPARATION OF THE ESTABLISHMENT OF THE LEGISLATURE FROM THE LEGISLATIVE DEPARTMENT.

2212. \***Diwan Bahadur T. Rangachariar** : (a) Will the Government be pleased to give detailed reasons why they refuse to give effect to the wishes of this Assembly for separating the establishment of the Legislature from the Law Department of the Government of India ? Are the Government aware that the late Law Member favoured such a separation ?

(b) If the reason is purely financial will the Government be pleased to state the estimated amount of extra cost involved by such separation together with the scheme ?

(c) Are the Government prepared to appoint a small Committee of the Legislature to work out a scheme for the said purpose of separation ?

**Sir Henry Moncrieff Smith** : (a) The reasons for the decision which Government have for the time being reached in this matter were stated in my reply to Mr. Neogy's question No. 9 on the 1st February, 1924. The late Law Member's views on the subject were expressed in public pronouncements from which the Honourable Member can draw his own conclusions.

(b) The reasons are not purely financial.

(c) As at present advised, Government do not propose to appoint a Committee of the nature proposed.

**Diwan Bahadur T. Rangachariar** : Is it the intention of the Government to put this Assembly on the same footing as the British Parliament in England ?

**Mr. N. M. Joshi** : May I ask, Sir, the reasons which have actuated the Government not to separate these two departments ?

**Sir Henry Moncrieff Smith** : I would refer the Honourable Member to part (a) of the answer which I have just given.

**Diwan Bahadur M. Ramachandra Rao** : What is the cost involved and what is the exact answer to part (b) as it stands ?

**Sir Henry Moncrieff Smith** : The exact answer to (b) is that the reasons are not purely financial. As to the cost involved, no definite scheme has been worked out from which an estimate of the cost could be framed.

**Diwan Bahadur T. Rangachariar** : Do the Government consider that the other reasons are so confidential that they are not at liberty to divulge them ?

**Sir Henry Moncrieff Smith** : The reasons are not confidential, and I have already given them in my reply to a question by Mr. Neogy on the 1st February.

**Mr. Gaya Prasad Singh** : Will Government be pleased to lay on the table the opinion of the Law Member on the subject ?

**Sir Henry Moncrieff Smith** : The Law Member stated his opinion in this House, I think.

AMALGAMATION OF THE POSTS AND TELEGRAPHS DEPARTMENT WITH THE RAILWAY DEPARTMENT.

2213. **\*Mr. Amar Nath Dutt :** (a) Is it a fact that the recommendation of the Retrenchment Committee was to the effect that the P. and T. and the Railway departments should be combined into one Department of the Secretariat with a Financial Adviser to help that Department ?

(b) Will the Government be pleased to lay before the House all the reasons for not carrying out of that recommendation ?

**The Honourable Sir Basil Blackett :** (a) The answer is in the negative.

(b) The question does not arise.

POSTS AND TELEGRAPHS DEPARTMENT.

2214. **\*Mr. Amar Nath Dutt :** (a) Is it a fact that the old P. W. Department had a separate Branch, namely, Posts and Telegraphs ? and

(b) that after the dissolution of that Department the Posts and Telegraphs Branch in a diminutive form has been added to the office of the D. G. P. and T. as a separate secretariat branch, and that this has added to the cost of establishment of that office ?

**The Honourable Mr. A. C. Chatterjee :** (a) Yes.

(b) Yes, there being a considerable net saving to Government by the change.

GRANT OF THE STATUS OF SECRETARY TO GOVERNMENT TO THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

2215. **\*Mr. Amar Nath Dutt :** (1) Was any consideration given by the Retrenchment Committee as to whether the old arrangement of submitting all financial and administrative proposals through the P. and T. Secretariat Branch caused delay and circumlocution which would be avoided if the D. G. P. and T. was given the status of a Secretary to the Government of India with a Financial Adviser to help him ?

(2) Was it held (a) that with a Financial Adviser attached to the Department of P. and T. it would seem quite unnecessary to have to refer cases concerning finances to an administrative Department of the Government of India ?

(b) that it was superfluous to introduce an intermediate Secretariat to express their opinion on such proposals ?

(c) that in very few administrative cases was the intervention of the P. W. D. Secretariat really necessary ?

(d) that there was no doubt that if the D. G. P. and T. was given the status of a Secretary a very great deal of circumlocution and delay would be avoided ?

(e) that additional work however thrown on the D. G. by that change of status would be more than compensated for by the relief from writing notes to the administrative Department and dealing with those which he receives from it ?

(f) and that though it would have added a great deal of additional responsibility to the already responsible post of the D. G. P. and T. his

work would have been greatly facilitated by the improvement in his status and his freedom from interference ?

(3) Is it a fact that though practically and partially the work of the office of the D. G. P. and T. has according to the new condition been arranged in the manner as proposed by the Retrenchment Committee the status of the D. G. has not been changed rather his office has been burdened with a Secretariat Branch, forming separate records of its own copied from the D. G.'s office files ?

**The Honourable Mr. A. C. Chatterjee :** (1) and (2). The Government of India are unaware of the precise considerations taken into account by the Retrenchment Committee, except in so far as these can be gathered from the terms of their report. They do not infer from that report that the Committee entertained the views suggested by the Honourable Member.

(3) The status of the Director-General has not been changed. The Secretariat Branch is not employed in the manner suggested by the Honourable Member.

#### TRANSMISSION OF LOTTERY NOTICES AND TICKETS THROUGH THE POST OFFICE.

2216. **\*Dr. S. K. Datta :** Has the attention of Government been called to the fact that the Indian Post Office is being used for the transmission from Native States into British India of notices of lotteries and lottery tickets ? If so, will Government state whether such usage is contrary to law ? If not contrary to law, are Government prepared to amend the Post Office Act so as to render the transmission of lottery notices and tickets through the mails illegal ?

**The Honourable Mr. A. C. Chatterjee :** Government are not aware that the Indian Post Office is being so used. A rule issued under the Post Office Act already exists prohibiting the transmission by post of circulars relating to lotteries, and this prohibition is held to cover lottery tickets containing or accompanied by a communication or advertisement of any kind relating to the transaction.

**Dr. S. K. Datta :** Will the Honourable Member make inquiries if I hand him envelopes containing such notices of lotteries ?

**The Honourable Mr. A. C. Chatterjee :** If the Honourable Member will give me full details I shall certainly be very glad to make inquiries.

#### DISCUSSION IN THE ASSEMBLY OF THE INSTRUCTIONS TO THE INDIAN REPRESENTATIVE AT THE CONFERENCE ON THE CONTROL OF THE OPIUM TRAFFIC.

2217. **\*Dr. S. K. Datta :** (a) Has the attention of Government been directed to a Reuter's message, dated London, August 27th (regarding the forthcoming Conference on the Control of the Opium Traffic called by the League of Nations) in which the following appears :

" Sir John Jordan, on behalf of Britain submitted a suggestion that the quantity of Indian opium exported to the States regulating opium-smoking should be reduced by 10 per cent. per annum, for 10 years and then the Government of Japan and Siam and Powers with possessions in the Far East should be requested to reduce their consumption of opium at the same rate. As however the suggestion was opposed on behalf of India it does not appear as a Resolution."

(b) Will Government state on whose authority was the suggestion opposed by the representative of the Indian Government ?

(c) Will Government in view of the Hon'ble the Finance Member's reply to starred question 1248 (5th June 1924) give this House an opportunity of discussing the instructions to the representative of the Government of India at the Conference on the Control of the Opium Traffic ?

**The Honourable Sir Basil Blackett :** (a) Yes.

(b) I do not think it is correct to say that Sir John Jordan put up any such proposal on behalf of Britain. The opposition of the Government of India is not to the reduction of consumption in the opium-consuming countries but to the suggestion that India should reduce her export in order to bring pressure to bear on the consuming countries. It is for the Governments of the consuming countries to put their house in order and the Government of India are not prepared to interfere in their internal affairs. If the Governments of the consuming countries reduce their demands of their own accord, the Government of India will raise no objection whatsoever.

(c) I am in hopes that the ballot for the next private Resolution day will help to solve the difficulty. I should welcome a discussion.

**Mr. Gaya Prasad Singh :** May I know if the opinion of the " representative of India " is the opinion of the Indian Government or the opinion of the people of India ?

**The Honourable Sir Basil Blackett :** I am not aware that there is any distinction.

**Mr. Chaman Lall :** In view of the Honourable Member's statement will the Honourable Member be pleased to give this House the date on which Dominion status was granted to India ?

**The Honourable Sir Basil Blackett :** If the Honourable Member will put that question down I will have it answered.

#### FARIDPUR STATION, EASTERN BENGAL RAILWAY.

2218. **\*Mr. Alimuzzaman Chowdhry :** Will the Government be pleased to state :

- (a) When Faridpur station (E. B. R.) was shifted to its present site ?
- (b) Is there any building with adequate accommodation for offices and passengers ?
- (c) If the answer be in the affirmative what is the dimension of such building or buildings ?
- (d) Is there any platform ?
- (e) Is it a fact that Faridpur is the headquarter station of a district ?
- (f) What is the daily average number of passengers :
  - (i) inward,
  - (ii) outward.
- (g) What is the daily average income from passengers and goods ?

**Mr. A. A. L. Parsons :** (a) In September 1916.

(b) Yes, but accommodation is temporary in consideration of the possibility of erosion by the river.

(c) Dimensions are :—Station master's office 336 sq. ft., telegraph office 144 sq. ft. and waiting shed 200 sq. ft.

- (d) Yes ; it is a rail level platform.  
 (e) Yes.  
 (f) The daily average number of passengers is  
     (1) inward 202  
     (2) outward 196.  
 (g) The daily average income on account of passengers and goods is Rs. 233 and Rs. 204 respectively.

KALUKHALI STATION, EASTERN BENGAL RAILWAY.

2219. \***Mr. Alimuzzaman Chowdhry** : Will the Government be pleased to state :

- (a) When Kalukhali Station, E. B. R., was shifted to its present site ?  
 (b) Is there any platform ?  
 (c) The average daily passengers :  
     (i) inward,  
     (ii) outward.

**Mr. A. A. L. Parsons** : (a) In June 1911.

- (b) Yes, there is a rail level platform.  
 (c) The average daily passengers are  
     (i) inward 134,  
     (ii) outward 122.

PROMOTIONS OF INDIAN AND ANGLO-INDIAN SUBORDINATES TO THE SUPERIOR SERVICES OF STATE RAILWAYS.

2220. \***Mr. Alimuzzaman Chowdhry** : Will the Government be pleased to state :

- (a) What progress has been made in giving effect to the recommendations of the Railway Committee, 1920-21, as dealt with in paragraph 183 ?  
 (b) Is it the intention of the Government  
     (i) to recruit superior grade officers from outside ; or  
     (ii) to promote qualified men from the higher ranks of the subordinate service ?  
 (c) Will the Government be pleased to furnish detailed statement of the appointment of  
     (a) Indians,  
     (b) Anglo-Indians,

from the higher ranks of the subordinate service to the superior service (Railways) during the last 5 years ?

**Mr. A. A. L. Parsons** : (a) The progress made up to November 1923 was shown in Annexures A and B to the explanatory memorandum of the Railway Budget for 1924-25. Similar figures for a year later are not yet complete but will be published in connection with next year's budget.

- (b) (i) and (ii). Yes, from both sources.



(c), (a) and (b). A statement is laid on the table.

*Statement showing the number of Indians and others recruited for the Superior services of State Railways from the subordinate ranks, during the years 1920 to 1924.*

Departments.	1920.		1921.		1922.		1923.		1924.		TOTAL.	
	Indians.	Non-Indians.	Indians.	Non-Indians.	Indians.	Non-Indians.	Indians.	Non-Indians.	Indians.	Non-Indians.	Indians.	Non-Indians.
Engineering .. .. .	..	..	3	4	1	2	1	..	..	..	5	6
Traffic .. .. .	..	..	..	..	3	7	..	..	..	..	3	7
Loco. & Carr. & Wagon .. .. .	..	..	..	2	..	1	..	..	..	..	..	3
Signalling and Electrical .. .. .	..	2	..	..	..	1	..	1	..	..	..	4
Stores .. .. .	..	..	..	..	..	..	1	..	..	..	1	..
Coal .. .. .	..	..	..	1	..	..	..	..	..	..	..	1
Total .. .. .	..	2	3	7	4	11	2	1	..	..	9	21

**PROMOTION OF INDIAN SUBORDINATES TO THE SUPERIOR SERVICES OF STATE RAILWAYS.**

2221. **\*Mr. Alimuzzaman Chowdhry :** (a) Will the Government be pleased to lay on the table memorials received from the Indians serving in the higher ranks of the subordinate service (railway) for promotion to the superior grade during last 4 years ?

(b) Do the Government propose to review those memorials and remove the grievances of those whose services are found satisfactory by promoting them to superior grade ?

**Mr. A. A. L. Parsons :** (a) Government see no reason to do so.

(b) All memorials are fully considered at the time of their submission and Government see no reason for review of the action taken in this respect.

**POLICY RELATING TO THE RECRUITMENT AND PROMOTION OF INDIANS AND ANGLO-INDIANS TO THE SUPERIOR SERVICES OF STATE RAILWAYS.**

2222. **\*Mr. Alimuzzaman Chowdhry :** Will the Government be pleased to state a definite policy of proportionate recruitment and promotion of Indians and Anglo-Indians for the superior grade service (railway) ?

**Mr. A. A. L. Parsons :** (a) Recruitment and promotion must primarily depend on qualifications but in accordance, however, with the undertaking given by Sir Malcolm Hailey in March 1923 Government endeavour to arrange that the services are not unduly overweighted with representatives of any one community.

**COMMERCIALISATION OF THE ACCOUNTS OF THE POSTS AND TELEGRAPHS DEPARTMENT.**

2223. **\*Mr. N. M. Joshi :** Will Government be pleased to state whether the commercialisation of the accounts of the Post and Telegraph Department has yet been completed ? If so, will they also state whether

the "profit" of Rs. 24 lakhs which was mentioned in the Profit and Loss account placed before the Assembly with the Budget for the current year is expected to materialise as an actual commercial profit on the working of the Department ?

**The Honourable Mr. A. C. Chatterjee :** Considerable progress has been made towards the commercialisation of the accounts of the Post and Telegraph Department and it is expected that a proper commercial profit and loss account will be placed before the Assembly when the Budget for 1925-26 is presented. It seems probable from the investigations already carried out that, when all proper debits and credits have been made, the Department will be found to be working at an appreciable loss instead of a profit.

**Sardar V. N. Mutalik :** Do Government intend to separate the accounts of the Post and Telegraph Department ?

**The Honourable Mr. A. C. Chatterjee :** There will be separate accounts for the Post and Telegraph Department.

**Sir Purshotamdas Thakurdas :** Is it the Postal Department that is working at a loss ?

**The Honourable Mr. A. C. Chatterjee :** My reply referred to the combined activities of the Post and Telegraph Department.

**Sir Purshotamdas Thakurdas :** Will the Honourable Member say how the two departments separately will work out ?

**The Honourable Mr. A. C. Chatterjee :** I cannot say at the moment.

**Sardar V. N. Mutalik :** Will the Honourable Member tell us what system is followed with regard to these accounts ?

**The Honourable Mr. A. C. Chatterjee :** The system will take a whole volume to describe.

#### ALLEGED MALPRACTICES OF CERTAIN EMPLOYEES OF THE EAST INDIAN RAILWAY.

2224. **\*Mr. M. Yusuf Imam :** (a) With reference to reply given to Mr. Gaya Parsad Singh M.L.A.'s question No. 765, dated 13th March 1924, with regard to malpractices of certain employees and the reselling of tickets Nos. 92, 93 and 94 of Raghunathpore, will the Government be pleased to state if the newspapers referred to in the question have since been received and passed on to the Agent stating the nature of the action to be taken ?

(b) Will the Government be pleased to inquire what prevents the Railway Company from taking action under section 112 of the Indian Railway Act if the reselling of the tickets is correct ?

**Mr. A. A. L. Parsons :** (a) The newspapers have been received and passed on to the Agent, as promised in reply to question No. 765 on 13th March, 1924.

(b) The matter is within the competence of the Agent and Government do not propose to intervene.

**RAILWAY DISASTER NEAR HARAPPA ON THE NORTH-WESTERN RAILWAY.**

2225. \***Khan Bahadur Ghulam Bari** : (a) Are the Government aware of a dreadful collision of two express trains between Harappa and Mirdad Muafi Stations on the N. W. Railway ?

(b) Will the Government be pleased to state the total number of casualties ?

(c) Will the Government be pleased to state the cause of such a disaster ?

(d) What steps do the Government propose to take in future to avoid such heavy loss of life and misery ?

**Mr. A. A. L. Parsons** : The Honourable Member is referred to the reply given in this Assembly on 10th September, 1924, to Diwan Bahadur M. Ramachandra Rao's question, which was supplemented by a reply I made on the following day.

**INCREASE IN THE NUMBER OF GAZETTED MUSLIM OFFICERS IN THE PUNJAB INCOME-TAX DEPARTMENT.**

2226. \***Khan Bahadur Ghulam Bari** : (a) What is the proportion of Muslim Income-tax officers in the Punjab Income-tax Department as compared with non-Muslim officers ?

(b) How many Muslim Assistant Commissioners of Income-Tax are there in India ?

(c) What steps do the Government propose to take to increase the number of gazetted Muslim officers in the Punjab Income-tax Department, to give effect to the policy enunciated by Sir Malcolm Hailey in the Legislative Assembly ?

**The Honourable Sir Basil Blackett** : (a) Out of 26 Income-tax officers in the Punjab, five are Muhammadans.

(b) There are three Muslim Assistant Commissioners in the major provinces where special income-tax staff is working.

(c) The appointments of Assistant Commissioners of Income-tax and Income-tax officers are made by the Commissioners of Income-tax with the approval of the Local Government concerned, and the Government have no doubt that, with due regard to the efficiency of the Income-tax Department, effect is given by the Commissioners to the policy enunciated by Sir Malcolm Hailey in the Legislative Assembly.

**Lala Duni Chand** : May I know what reply has been given to the question of my friend as to the amount of the income-tax paid yearly by Muslims and non-Muslims ?

**The Honourable Sir Basil Blackett** : If I had heard that question I would probably have asked for notice of it.

**Lala Duni Chand** : Do the Muslims suffer by reason of the fact that there are not as many Muhammadans in the Income-tax Department as my friend would wish them to be ?

**The Honourable Sir Basil Blackett** : The answer is I think in the negative.

**PRIVILEGES ALLOWED TO MESSRS. SPENCER AND CO'S. EUROPEAN RAILWAY REFRESHMENT ROOMS.**

2227. \***Mr. T. C. Goswami** : (a) Is it a fact that the following privileges are allowed to the European refreshment rooms maintained by Messrs. Spencer & Co., Madras :

- (1) free carriage over the railway of all furniture belonging to the European refreshment rooms ;
- (2) carriage of other articles needed for the use of the Refreshment rooms at  $\frac{1}{4}$  the rates charged from the public ;
- (3) free carriage of aerated waters, ice, etc., needed for the Refreshment Rooms ;
- (4) free light, etc.,
- (5) telegram, free of charge ?

(b) Are similar privileges given in regard to Indian refreshment rooms ? If not, what are the reasons for this differential treatment ?

**Mr. A. A. L. Parsons** : Inquiry is being made and the information will be furnished to the Honourable Member in due course.

**Mr. N. M. Joshi** : May I ask if the information will be made available to the House ?

**Mr. A. A. L. Parsons** : I have no objection. I gave the answer in this form because I did not think the matter was of sufficient importance to print, but if you desire this particular information, I have certainly no objection.

**Mr. N. M. Joshi** : Yes, I do desire that this information should be given to the House.

**RETRENCHMENT IN THE ARMY ESTIMATES FOR 1924-25.**

2228. \***Sir P. S. Sivaswamy Aiyer** : Will the Government be pleased to state whether the scrutiny of the Army Estimates for 1924-25, by a sub-committee of the Executive Council has been completed and, if so, whether any, and, what retrenchment has been effected in the same ?

**The Honourable Sir Basil Blackett** : As I stated in reply to a question by my Honourable friend Mr. Gaya Prasad Singh, the Sub-Committee was engaged in examining the probable military expenditure for 1925-26. This preliminary scrutiny has been completed, but at this date the results are naturally provisional and I cannot say more than that it is hoped that the established charges of the military estimates will show a further reduction in 1925-26.

**INCREASE IN THE PAY AND ALLOWANCES OF BRITISH OFFICERS AND OTHER RANKS IN THE ARMY IN INDIA.**

2229. \***Sir P. S. Sivaswamy Aiyer** : (a) Will the Government be pleased to state whether there has been a fall or rise in the cost of living in British India since 1919, and whether the Government have any intention of applying the principle of adjustment in accordance with a fluctuation in the cost of living announced in the British Army Order 324 of 1919 and referred to in the Anderson Committee's Report of July 1923 ?

(b) Will the Government be pleased to state whether proposals are under consideration for increase in the pay and allowances of British officers and other ranks in the Army in India, and, if so, will the Government be pleased to furnish details of such proposals, the total additional cost involved, the stage reached by such proposals, and, the date from which the said proposals are intended to come into effect ?

**Mr. E. Burdon :** (a) and (b). Such information as the Government of India possess on the point goes to show that there has been a rise in the cost of living for Europeans in British India since 1919. As regards the remainder of the question and in so far as it relates to officers, I would invite the Honourable Member's attention to the reply given on the 15th instant to starred question No. 1883. There are no proposals under the consideration of the Government of India for the revision of the pay of British other ranks.

**Diwan Bahadur T. Rangachariar :** When was this inquiry made ?

**Mr. E. Burdon :** I made no reference to any inquiry ; I said such information as the Government of India possessed showed this.

**Diwan Bahadur T. Rangachariar :** Will the Honourable Member lay the information on the table ?

**Mr. E. Burdon :** I do not think the information is in a form in which it can be placed on the table.

#### REDUCTIONS OF INCREASES IN THE BRITISH AND INDIAN ARMY ESTIMATES SINCE 1920-21.

2230. **\*Sir P. S. Sivaswamy Aiyer :** Will the Government be pleased to furnish a comparative statement showing the reductions or increases in the British and Indian Army Estimates, from year to year, since the year 1920-21, with regard to :

- (A) The strength of the fighting units.
- (B) The strength of the Ancillary Services.
- (C) The strength of the Territorial Forces.
- (D) The strength of the Reserves.
- (E) The number of equipped hospital beds, the number of R. A. M. C., and I. M. S. officers and the number of nurses, provided for.

**Mr. E. Burdon :** I will furnish the Honourable Member separately with certain statements which contain the information desired by him in so far as the years 1921-22 to 1924-25, are concerned.

I may mention that most of this information is already given in the budget estimates for these years.

The figures for the year 1920-21 are not available in a connected form and I am afraid I cannot undertake a special compilation. I hope the Honourable Member will find sufficient the very considerable statistics with which I am otherwise providing him.

#### DEPUTATION TO ENGLAND OF AN OFFICER IN CONNECTION WITH THE SETTLEMENT OF THE AMOUNTS IN DISPUTE BETWEEN HIS MAJESTY'S GOVERNMENT AND THE GOVERNMENT OF INDIA.

2231. **\*Sir P. S. Sivaswamy Aiyer :** With reference to the statement of the Finance Member on the 1st February 1924, regarding the outstanding financial questions between the Government of India and the

Imperial Government, will the Government be pleased to state whether they have any intention of adopting the suggestion made during the Budget session of 1924 that they should depute an officer of suitable qualifications and status for a personal discussion and negotiation of the terms of settlement with the Imperial authorities ?

**The Honourable Sir Basil Blackett :** I have in fact already answered this question in reply to a private notice question on September 5th by Mr. Rangaswami Iyengar. The Honourable Member will no doubt be pleased to note that this suggestion has been adopted.

#### REDUCTION IN THE STAFF OF ARMY HEADQUARTERS.

2232. \***Sir P. S. Sivaswamy Aiyer :** Will the Government be pleased to state whether the reductions recommended by the Innes Committee in the staff of the Army Headquarters have been fully carried out ?

**Mr. E. Burdon :** The Committee presided over by the Honourable Mr. (now Sir) C. A. Innes recommended that the establishment of officers at Army Headquarters should eventually be reduced so as to effect a saving of Rs. 8.13 lakhs and that the establishment of clerks should be reduced to effect a saving of Rs. 9 lakhs. The Indian Retrenchment Committee endorsed the recommendations of the Innes Committee in so far as they related to officers; but, realising that an immediate reduction to the extent required was not possible, recommended that during the year 1923-24 the provision for officers at Army Headquarters should be reduced by at least Rs. 4 lakhs. As regards clerks, the Retrenchment Committee did not accept in their entirety the views of the Innes Committee and recommended that the provision for clerks should be reduced by 2 lakhs.

As regards officers, reductions have been made which will give a saving in cost of Rs. 4 lakhs a year. It is hoped to make further reductions in 1924-25 and 1925-26. In regard to clerks, effect has been given to reductions which will yield an annual saving in expenditure of about Rs. 2 lakhs.

#### ADOPTION OF METHODS FOR SECURING SUITABLE INDIAN CADETS FOR SANDHURST.

2233. \***Sir P. S. Sivaswamy Aiyer :** Will the Government be pleased to state whether :

- (1) Their attention has been drawn to the recommendations of the Haldane Committee on the education and training of officers of the Army ?
- (2) In view of the unsatisfactory character of the Indian cadets entered at Sandhurst, they have consulted any non-officials with regard to the best methods of securing educated candidates of a suitable type ?
- (3) They are prepared to appoint a Committee of officials and non-officials to advise them as to the methods to be adopted for securing a supply of suitable candidates ?
- (4) They will be pleased to furnish particulars of the new form of examination which has been adopted for admission of cadets to Sandhurst and Woolwich, and of the scheme recently prepared by the Imperial General Staff with the

object of providing various channels of admission into the commissioned ranks, and stimulating the flow of university candidates, and attracting young men of ability, attainments, and ambition into the Army ?

**Mr. E. Burdon :** (1) Government have seen the Committee's report.

(2) I am very far from being prepared to admit, in the general terms used by the Honourable Member, that the character of the Indian cadets entered at Sandhurst is unsatisfactory. The answer to the latter part of the question is that Government have not so far formally consulted non-official opinion, save to this extent that non-official Indians are associated with the Committees appointed by the Local Governments to nominate candidates for Sandhurst.

(3) I will see that the suggestion here made receives consideration.

(4) Particulars of the scheme to which the Honourable Member refers have not been received in India. Government understand that new regulations are now in the process of being compiled at the War Office.

#### RESOLUTIONS OF THE ASSEMBLY ON THE ESHER COMMITTEE'S REPORT.

2234. **\*Sir P. S. Sivaswamy Aiyer :** With reference to my Resolution moved on the 4th of July 1923, regarding certain Resolutions of the Assembly on the Esher Committee's Report, will the Government be pleased to state whether the Secretary of State has since passed any orders accepting these Resolutions, and, if not, what steps have been taken by the Government of India to urge the points on the Secretary of State ?

**Mr. E. Burdon :** The answer to this question is very long and very obscure unless it is read with the replies to previous questions, which are quoted, and with your permission I will lay it on the table.

The contents of the four earlier Resolutions, which formed the subject of the Honourable Member's Resolution referred to in the present question were analysed in the statement which was laid on the table of this House on the 2nd July 1923 in reply to starred question No. 55. I will deal *seriatim* with the items mentioned in that statement.

**Items 1 and 7.**—A further representation has been addressed to the Secretary of State on the subject of the admission of Indians to the commissioned ranks of the Royal Artillery, Royal Engineers, and the Royal Air Force, and on the subject of increasing the number of King's commission in the army granted annually to Indians: The question of the measures to be adopted for the recruitment and training of Indians as officers of the Royal Indian Marine was examined by the Indian Mercantile Marine Committee, whose report is at present under the consideration of the Government of India.

**Items 2 to 6.**—No further action of a specific character and no further reference to the Secretary of State are required in regard to those items.

**Item 8.**—No further action of a specific character is at present required in regard to this item.

**Items 9 and 10.**—The position remains unaltered.

*Item 11.*—A Committee has been appointed under a Resolution of this House to inquire into the question of improving the organization of the Territorial Force.

*Item 12.*—Effect has been given to this recommendation.

*Item 13.*—There is nothing to add to the information previously given, and I think my Honourable friend is fully acquainted with the present position. I may perhaps invite his attention to the reply given on the 1st February 1924 to starred question No. 40.

*Items 14 and 15.*—The position remains unaltered.

#### REORGANISATION OF THE ROYAL INDIAN MARINE.

2235. \***Sir P. S. Sivaswamy Aiyer** : Will the Government be pleased to furnish details of the scheme for the reorganisation of the Royal Indian Marine into a combatant service, and state whether the scheme has been sanctioned, and whether it includes proposals for the training and employment of Indians as seamen and officers.

**Mr. E. Burdon** : The proposals are under consideration and the Government of India are not yet in a position to furnish any details regarding them.

#### ESTABLISHMENT OF A MILITARY COLLEGE AT BANGALORE.

2236. \***Sir P. S. Sivaswamy Aiyer** : Have the Government considered the desirability of establishing at Bangalore an institution like the Prince of Wales Military College at Dehra Dun for the training of boys for admission to Sandhurst.

**Mr. E. Burdon** : The answer is in the negative.

**Diwan Bahadur T. Rangachariar** : Will the Government consider the desirability of doing this, if they have not already done so ?

**Mr. E. Burdon** : No, Sir. I may as well tell the Honourable Member frankly that there is at present no intention of establishing another Dehra Dun. Our first expansion will be in the direction of enlarging the Dehra Dun school itself.

**Sardar V. N. Mutalik** : Do Government feel that one is sufficient for the purpose ?

**Mr. E. Burdon** : It is amply sufficient for our present needs. A larger school at the moment would produce more cadets than we can find employment for within the limited number of commissions available.

**Sardar V. N. Mutalik** : Are Government aware that the Dehra Dun institution is very inconvenient to persons coming from the southern side of India ?

**Mr. E. Burdon** : I know that Dehra Dun is a considerable distance from Southern India, but I also know we have no lack of candidates for the Dehra Dun College.

#### EXCLUSION OF BURMA FROM RECOMMENDATIONS MADE BY THE TARIFF BOARD IN REGARD TO PROTECTIVE DUTIES.

2237. \***Mr. W. S. J. Willson** : Will it be within the sphere of the Tariff Board to exclude Burma from any recommendations they may make in regard to protective duties ?



**The Honourable Sir Charles Innes :** If the Tariff Board desires instructions on the point raised by the Honourable Member, it will no doubt ask for them. It has not done so yet.

**Mr. E. G. Fleming :** Has the suggestion the Burma Chamber of Commerce made to the Local Government, namely, that the most equitable way of dealing with the increased duties accruing from the enhanced duties on steel should be made over to the Government of Burma not to the Central Revenue, been received by and considered by the Central Government and if so what decision has been arrived at if any ?

**The Honourable Sir Basil Blackett :** I understand that the suggestion has been received and that it is under consideration.

INDIAN PILGRIMAGE OFFICER AT JEDDAH.

2238. \***Khan Bahadur Sarfaraz Hussain Khan :** With reference to the following statement by Government in paragraph 3 of their letter to Local Governments, dated Simla, the 26th April 1924, on the subject of the Indian Merchant Shipping (Amendment) Bill, namely, " To this end they have appointed a special pilgrimage officer to watch over the interests of the pilgrims ", will they please state :

- (a) whether the headquarters of this officer are at Bombay, Karachi or Jeddah ?
- (b) whether he has himself to tour and look after the needs and requirements of the pilgrims at the different ports from which the pilgrims embark or at which they land, or whether he has subordinate officers stationed at the different ports for the said purpose ?
- (c) whether the said officer is also required to look after or get reports of the hardships to which pilgrims are subjected during their journey from Mecca to Medina ?
- (d) if it is not he, which other officer is it whose primary concern it is to watch over the interests of the pilgrims during their journey from Mecca to Medina ?

**Mr. J. W. Bhore :** (a) At Jeddah.

(b) The officer's duty is mainly to look after the interests of the pilgrims at Jeddah. At Bombay and Karachi there are Protectors of Pilgrims to attend to the needs of the pilgrims.

(c) and (d). The special Indian Pilgrimage Officer works under the British Consul at Jeddah who is primarily responsible for watching the interests of all British subjects including Indian pilgrims during their stay in the Hedjaz and whose functions are, of course, confined to those exercised by Consular Officers in other foreign states.

**Khan Bahadur W. M. Hussainally :** Is this officer employed by the Government of India or the Home Government ?

**Mr. J. W. Bhore :** By the Indian Government.

**Khan Bahadur Sarfaraz Hussain Khan :** Have the Government made any arrangements for the pilgrims going from Mecca to Medina ?

**Mr. J. W. Bhore :** What arrangements does the Honourable Member refer to ?

**Khan Bahadur Sarfaraz Hussain Khan :** Arrangements for their comforts on their journey from Mecca to Medina.

**Mr. J. W. Bhore :** No, Sir.

**Mr. Harchandrai Vishindas :** Is the Jeddah officer appointed by the Government of India or the Home Government ?

**Mr. J. W. Bhore :** I have already said by the Government of India.

#### TRANSFER OF THE SURMA VALLEY DIVISION FROM ASSAM TO BENGAL.

2239. **\*Mr. K. C. Neogy :** (a) Are Government aware that a Resolution has been adopted by the Assam Legislative Council in its last July session recommending the transfer of the Surma Valley Division from Assam to Bengal ?

(b) Have Govt. received any communication from the Government of Assam on the subject ?

(c) Are Government aware that in the debate in the Legislative Assembly in 1921, on the question of reconstitution of Provinces, Sir William Vincent gave an assurance that if a Resolution were adopted in the Assam Council recommending the transfer of Sylhet to Bengal, the Government of India would give it their most careful consideration ? What action do Government now propose to take in the matter ?

**The Honourable Sir Alexander Muddiman :** (a) Yes.

(b) The Local Government have informed the Government of India that the question is under their consideration.

(c) Yes. The question will be carefully considered by the Government of India in due course.

#### REPORT OF THE FRONTIER INQUIRY COMMITTEE.

2240. **\*Nawab Sir Sahibzada Abdul Qaiyum :** (a) Will the Government be pleased to state what action, if any, they propose to take on the Frontier Inquiry Committee Report now that it has been before the public for the past five months ?

(b) Has the attention of the Government been drawn to a letter "Public Grievances" published in the "Muslim Outlook" of the 19th August on the subject, and are they aware of the fact that there is widespread discontent amongst the educated classes in the North West Frontier Province over the Government's delay in giving effect to the recommendations contained in the Majority Report ?

**Mr. Denys Bray :** (a) The recommendations contained in the Report from the subject of correspondence with the Secretary of State and Government are not yet in a position to make any announcement.

(b) The attention of Government has been drawn to the letter, and the public desire for an early announcement is recognized.

#### INTRODUCTION OF THE PRINCIPLE OF ELECTION ON A COMMUNAL BASIS IN LOCAL BODIES IN THE NORTH WEST FRONTIER PROVINCE.

2241. **\*Nawab Sir Sahibzada Abdul Qaiyum :** Will the Government be pleased to state if the N. W. Frontier Administration intend taking any action in the near future with respect to the introduction of the principle of

election, on a communal basis, in the Municipalities and District Boards of the Province ? If not, will they please state the reasons thereof ?

**Mr. J. W. Bhore :** The matter is under the consideration of the North West Frontier Province Administration and the Government of India are not in a position to make a statement on the subject at present.

**ESTABLISHMENT OF AGRICULTURAL BANKS OR CO-OPERATIVE SOCIETIES IN THE NORTH-WEST FRONTIER PROVINCE.**

**2242. \*Nawab Sir Sahibzada Abdul Qaiyum :** (a) Are Government aware that there are no Agricultural Banks or Co-operative Societies in the N. W. F. Province and that the rural and agricultural population of the Province is suffering to a great extent from want of such facilities ?

(b) Will the Government be pleased to state if the Frontier Administration has ever approached them on the subject of opening Agricultural Banks and Co-operative Societies in the Province and if so, with what results ?

**Mr. J. W. Bhore :** (a) Yes. There are no Agricultural Banks or Co-operative Societies in the North-West Frontier Province at present. On the passing of the Co-operative Societies Act of 1904 efforts were made to start Co-operative Societies in that province but the rural population there being orthodox Muhammadans their objection to the levy of interest or profits on capital hampered the extension of the movement and the only Co-operative Society working there had to be cancelled in 1913-14.

(b) The Local Administration, which has never approached the Government of India on the subject, is itself competent to start such Societies and no reference to the Government of India is necessary.

**Nawab Sir Sahibzada Abdul Qaiyum :** Will the Government be pleased to state if the objection of the Muhammadan population was conveyed in writing, or how did the Government come to know that the population objected to or did not take a favourable view of Co-operative Societies ?

**Mr. J. W. Bhore :** I am afraid I cannot say, but the information the Government have is as stated.

**Nawab Sir Sahibzada Abdul Qaiyum :** Are Government aware that times have changed and the rural population there after seeing the benefits of the co-operative movement in other parts of the country will be more in favour of patronising these societies ?

**Mr. J. W. Bhore :** Sir, I think that is a question for the Administration of the North West Frontier Province to consider.

**Lala Duni Chand :** Will Government require a guarantee from the Honourable Member or any body else as to the safety of the cash chests of these co-operative societies before they are started ?

**Nawab Sir Sahibzada Abdul Qaiyum :** We have got a large population of Hindus in the trans-border areas where they enjoy a guarantee of protection for their lives and property. Similarly a guarantee of that sort can be given in the settled districts also.

**Lala Duni Chand :** Will the Government approve of what my Honourable friend has just said ?

# EMPLOYMENT OF MUHAMMADANS IN GOVERNMENT DEPARTMENTS IN THE NORTH-WEST FRONTIER PROVINCE.

2243. \*Nawab Sir Sahibzada Abdul Qaiyum : (a) Will the Government be pleased to state what proportion of Muslim and non-Muslims and local people and outsiders there is at present in the Provincial and Subordinate services of the N. W. F. Province and whether it is in accordance with the numerical ratio of the various communities in the Province ?

(b) Is it within their knowledge that there are scarcely any Muslims in some offices of the Province ?

(c) Is it not fact that the majority of the head clerks and superintendents in district offices and departments such as municipal and district boards are non-Muslims and are Government aware that Muslim local candidates find it rather hard to get into these offices ?

(d) Are Government prepared to take some measures to minimise these difficulties ?

Mr. Denys Bray : The information required is being collected and will be supplied to the Honourable Member in due course.

Diwan Bahadur T. Rangachariar : May I ask, Sir, if the Government approve of this, that appointments should be in accordance to the numerical ratios of the various communities ? Have they any opinion to offer on that point suggested in this question ?

Mr. Denys Bray : As far as I am concerned, I require notice of the question.

Mr. Gaya Prasad Singh : Will the information when collected be laid on the table of the House for the benefit of other Members as well ?

Mr. Denys Bray : The House is very voracious for information and if there is a general desire I shall have to accede to it.

Mr. Mahmood Schamnad Sahib Bahadur : Are the Government aware that there is widespread discontent among the educated community of the North-West Frontier Province as outsiders are imported to fill Government posts there ? Will Government see that this undesirable practice is put a stop to ?

Mr. Denys Bray : I shall require notice of that question also.

Lala Duni Chand : Is it a fact that there is not a single Hindu magistrate in the Dera Ismail Khan district or the Kohat district ?

Nawab Sir Sahibzada Abdul Qaiyum : There are a lot of Hindu honorary magistrates in these districts.

Mr. President : Order, order.

## GRIEVANCES OF THE RAILWAY BOARD STAFF.

2244. \*Sardar V. N. Mutalik : (a) Has the attention of the Government been drawn to the article published in the "Tribune" of the 16th July last regarding certain grievances of the staff employed in the Railway Board's office ?

(b) If so, will Government be pleased to state what action, if any, has so far been taken thereon ? If not, why not ?

Mr. A. A. L. Parsons : (a) Yes.

(b) No action. The organisation of the office of the Railway Board is already under consideration.

**TEMPORARY STAFF OF THE RAILWAY BOARD'S OFFICE.**

2245. **\*Sardar V. N. Mutalik :** (a) With reference to the statement laid on the table of the Legislative Assembly in reply to starred question No. 723, by Mr. Chaman Lall, on the 10th March 1924, will Government kindly state the reasons for keeping the temporary hands in suspense for years when the period of probation in the Secretariat is ordinarily one year ?

(b) Is it a fact that men with much shorter service have been absorbed in the permanent establishment of other Departments of the Government of India against leave reserve and other vacancies ? If so, why has not similar action been taken in the Railway Department, and when will it be taken ?

(c) Is it a fact that certain permanent vacancies in the Railway Department Secretariat are kept unfilled ? If so, why ?

(d) Is it a fact that the scales of pay of even such temporary clerks in the Railway Department as have already passed the prescribed period of probation (one year) are going to be reduced as a result of reorganisation ? If so, will the Government state the grounds for such action ? Have Government taken into consideration the fact that these men were originally offered, and were entertained on, the existing Secretariat scales of pay and that confirmation on these scales of pay has all along been held before them as their legitimate prospect ?

**Mr. A. A. L. Parsons :** (a) It has not been possible to estimate the extent to which the recommendations of the Acworth and Inchcape's Committees would affect the clerical work in the Railway Board's office, and it was therefore considered inadvisable to revise the cadre.

(b) Yes. The Honourable Member is referred to the reply to part (a) of his question.

(c) Yes. There are two vacancies one of which was provisionally filled from 1st January 1923, the second has not been filled for the reasons given in the reply to part (a) of this question.

(d) No decision has been arrived at. The matter is under consideration.

**Mr. Chaman Lall :** May I ask how long this scheme of reorganisation has been under consideration ?

**Mr. A. A. L. Parsons :** I am not quite sure. The actual position is this. The main reorganisation of the Railway Board was only given effect to about the beginning of April, and it is still a little doubtful exactly what our requirements will be. They depend to a certain extent on a Resolution which this House is already discussing. But I understand the proposals dealing with the clerical staff will be put forward as soon as we know the work they have to do.

**Mr. Chaman Lall :** Will the Honourable Member give us an undertaking that temporary hands in the Railway Board of several years' standing will be given permanent appointments.

**Mr. A. A. L. Parsons :** I cannot give such an undertaking offhand. I have not myself seen the case. But in determining our staff we shall certainly show them consideration. That is about as far as I can go.

### DELAY IN THE REORGANISATION OF THE RAILWAY BOARD SECRETARIAT.

2246. \***Sardar V. N. Mutalik** : (a) What is the cause of the delay in the completion of the re-organisation of the Railway Board Secretariat ? When is it expected to be completed and from what date will it be given effect to ?

(b) Do the Government propose to introduce in the Railway Department Secretariat any scales of pay for the clerical staff lower than those in force in other Secretariats of the Government of India ? If so will Government kindly state what reason there is for the adoption of such a course ?

(c) Will the Government be pleased to state the different scales of pay proposed for Clerks, Assistants and Superintendents after re-organisation ?

(d) Will these scales of pay apply to the present staff, whether permanent or temporary, or to future entrants only ?

**Mr. A. A. L. Parsons** : The Honourable Member is referred to the reply to his previous question and to the answers to supplementary questions that have been put to me.

### STAFF SELECTION BOARD'S CANDIDATES.

2247. \***Sardar V. N. Mutalik** : (a) Will Government be pleased to say on what basis appointments are offered by the Staff Selection Board to passed candidates in their list ?

(b) Is there any fixed criterion either on the basis of length of service in the Secretariat or priority of passing the Board's examination or academic qualifications or it rests entirely on the discretion of the Secretary to the Board ?

(c) Is it a fact that in some cases men with shorter service have been given permanent appointments in leave reserve vacancies in preference to men with longer service ? If so, why ? Who makes the selection—the Board or the Secretary by himself ?

(d) Will Government kindly say whether there is any check against inequalities or disparity of treatment between men and men or any provision for the protection of interests of individual candidates ? If so, what ?

**The Honourable Sir Alexander Muddiman** : (a) The Board maintain lists of all qualified candidates graded according to the categories for which they are qualified and nominations are made from these lists.

(b) Nomination depends on a candidate's position on the list and the nature of the vacancy to be filled.

(c) Yes—because longer service does not necessarily confer the stronger claim. In most cases selections for leave reserve vacancies were made by the Departments concerned and submitted to the Board for approval.

(d) Any candidate who feels that he is not being treated fairly is always at liberty to represent his case to the Board. The right of inter-rogation in this House would seem to afford a further check.

### UNEMPLOYMENT OF MEN WHO PASSED THE STAFF SELECTION BOARD'S EXAMINATION IN 1920.

2248. \***Sardar V. N. Mutalik** : Is it a fact that several men who passed the Staff Selection Board's examination in the first division since 1920

are still unemployed ? If so, why was it necessary to hold another examination recently ?

**The Honourable Sir Alexander Muddiman :** Sixteen men who passed the Staff Selection Board's examination for the first division since 1920 are still unemployed. Seventeen others, who passed for the first division, are employed in second division posts. In the examination held recently no outside candidates were examined for the first division. The examination was confined in the case of outsiders to candidates for posts of stenographers and typists, as the number on the waiting lists for posts of that nature was small.

#### CLAIMS OF RETRENCHED PERSONS FOR PERMANENT VACANCIES IN THE SECRETARIAT.

2249. **\*Sardar V. N. Mutalik :** Is it a fact that Government promised to consider the claims of retrenched persons for permanent vacancies in the Secretariat and a common roster of all retrenched persons was prepared for the purpose by the Staff Selection Board arranged in accordance with their length of service ? If so, will Government kindly say whether this principle was observed and men selected from this list in filling up leave reserve vacancies ? If not, why not ? On what principle were the appointments filled up ?

**The Honourable Sir Alexander Muddiman :** Government made no such promise, but they charged the Staff Selection Board with the task of finding employment where possible for such retrenched personnel both permanent and temporary. A roster was, I understand, prepared by the Staff Selection Board and my information is that all persons who were on the roster have been duly provided for with the exception of 5 men belonging to the late Finger Print Bureau whom it has been difficult to place in permanent posts owing to their lack of qualifications. These five are employed in temporary posts.

**Sardar V. N. Mutalik :** What exactly is meant by "lack of qualifications" ?

**The Honourable Sir Alexander Muddiman :** "Lack of qualifications" ? The term appears clear.

#### IRREGULARITIES COMMITTED BY A PROVISIONAL ASSISTANT SECRETARY IN THE COMMERCE DEPARTMENT.

2250. **\*Sardar V. N. Mutalik :** Is it a fact that an Assistant Secretary to the Government of India in the Commerce Department has been found guilty of misappropriation of funds ? If so, will Government kindly state what action has been taken against him ?

**The Honourable Sir Charles Innes :** It is a fact that a clerk in the Commerce Department, who had been appointed provisional Assistant Secretary, irregularly authorised the payment of advances to himself. These advances were afterwards refunded in full.

He has been reverted to his substantive grade as First Division clerk.

**Mr. K. Ahmed :** What about the money that he misappropriated ? Is there any chance of its recovery ?

**The Honourable Sir Charles Innes :** If the Honourable Member had listened to what I said, he would have heard that these advances had already been repaid in full.

# DUTIES OF FIRST, SECOND AND THIRD DIVISION MEN IN THE GOVERNMENT OF INDIA SECRETARIAT.

\*2251. \***Sardar V. N. Mutalik** : (a) Are there any prescribed duties for the men employed in the first division of the Secretariat as distinct from those employed in the second division ? If so, will Government kindly name the duties set apart for each of these two classes ?

(b) For whom (first, 2nd, or third division men) are the following class of duties meant :

Diarising, recording, indexing, attending telephone calls or taking down telephonic messages, cutting and pasting of correction slips in rules, codes, etc., keeping of registers of documents, filling in names in visitors' cards, selling of stationery articles.

(c) What is meant by the term " Routine duties " in the Secretariat and what class of duties fall under it ?

(d) Is it a fact that these duties are performed in some Departments by the first division men, in some Departments by second division men and in some by third division men ? If so, will Government kindly explain the cause of this anomaly ?

**The Honourable Sir Alexander Muddiman** : (a) The nature of the duties of first division clerks cannot be clearly distinguished from that of the duties of second division clerks. Clerks of both divisions note and draft on cases, but the more important and more difficult cases are entrusted to clerks of the first division, while clerks of the second division note and draft on simple cases besides doing other work such as diarising, indexing and recording.

(b) Diarising, indexing and recording are, as I have just said, ordinarily done by clerks of the second division while the other duties mentioned in the question are performed by third division clerks.

(c) The term " Routine duties " has never been defined, but these include such works as typing, despatching, arrangement of material for despatch to the Press and examination of proofs received from the Press, coding and decoding of non-confidential telegrams, receipt and despatch of telephonic messages and statistical work.

(d) I am not aware that first and second division clerks are employed on any of these routine duties, but the distribution of work in each Department is a departmental concern and I have no reason to doubt that each Department is employing its staff in a suitable manner.

## ACCIDENTS ON RAILWAYS.

2252. \***Mr. Kamini Kumar Chanda** : Will the Government publish a list of Railway accidents in 1921-24 attended with loss of life, or injuries to the persons, of (a) passengers and (b) railway employees—stating in each case the cause or causes of the accident and action taken to prevent a recurrence of the same ? Was any compensation given in any case either by order of the court or out of court ?

**Mr. A. A. L. Parsons** : All the information available will be given in Appendix C of volume II of the Report of the Railway Board on Indian Railways for 1923-24, which will shortly be issued.



SEPARATION OF JUDICIAL AND EXECUTIVE FUNCTIONS.

2253. \***Mr. Kamini Kumar Chanda** : (a) Have reports of any Local Governments containing schemes of separation of judicial and executive functions been received ?

(b) Will the Government be pleased to publish them ?

(c) What action does Government propose to take about the matter and when ?

**The Honourable Sir Alexander Muddiman** : (a) Reports from Bengal, Bihar and Orissa, the United Provinces and Madras have been received.

(b) The Government of India do not propose to publish them at present.

(c) The final views of the Government of Madras have just been received, and the schemes will now be considered by the Government of India.

RECRUITMENT OF DISTRICT JUDGES.

2254. \***Mr. Kamini Kumar Chanda** : (a) Is it a fact that the Islington report recommended that in future one-third of the District Judges should be recruited from the I. C. S., another third from the Provincial Judicial Service and the balance from the Bar ?

(b) Are Government in a position to state whether this recommendation has been given effect to ?

**The Honourable Sir Alexander Muddiman** : The reply to (a) is in the negative and (b) therefore does not arise.

DESTRUCTION OF WILD ANIMALS AND SNAKES.

2255. \***Mr. Jamnadas M. Mehta** : (a) Is there a system in force in India of rewarding by cash payments those who destroy wild animals and snakes ?

(b) Is it true that an amount of nearly ten lakhs of rupees was paid as such rewards during five years ending on 31st December 1923 ?

(c) Is it a fact that in spite of these rewards the number of deaths in all the Provinces of India including Burma increased in the case of wild animals by 40 per cent. in 1923 over the figures of 1919 and in the case of wild animals and snakes together by nearly three per cent. during the same period ?

(d) Do Government contemplate adopting other measures than rewards for reducing the number of these deaths, e.g., by issuing more licenses for fire-arms to the public ?

**The Honourable Sir Alexander Muddiman** : (a), (b) and (c). Yes. The Honourable Member is referred to the Home Department Resolution No. F-4/2/24, dated the 26th July 1924, which was published in the supplement to the Gazette of India of the 2nd August 1924.

(d) The issue of licenses for fire-arms to be used as a protection against wild animals is regulated by the local authorities. No fee is charged for such licenses and the Government of India do not consider that any orders on the lines suggested are necessary.

# COMPENSATORY ALLOWANCES TO DIVISIONAL ACCOUNTANTS OF THE PUBLIC WORKS DEPARTMENT.

2256. **\*Mr. Harchandrai Vishindas** : Will Government be pleased to state whether they propose to grant compensatory allowance to divisional accountants of the P. W. D. pending revision of their scale of pay ?

**The Honourable Sir Basil Blackett** : The Auditor General states that he will submit proposals for the revision of the pay of divisional accountants in the near future.

# TRAVELLING ALLOWANCE OF DIVISIONAL ACCOUNTANTS OF THE PUBLIC WORKS DEPARTMENT.

2257. **\*Mr. Harchandrai Vishindas** : (a) Is it a fact that the status of divisional accountants of the P. W. D. *qua* accounts is on a par with that of the sub-divisional officers *qua* works ?

(b) If so do Government propose to equalise the travelling allowance of the two branches ?

(c) Is it true that the allowance of the sub-divisional officers has been raised from Rs. 30 to 75 per mensem while that of the accountants has remained stationary, i.e., Rs. 20 for Rs. 80 to 130 salaries, Rs. 10 for Rs. 140 salaries and *nil* for Rs. 150 and upwards salaries ?

**The Honourable Sir Basil Blackett** : (a) Yes.

(b) The responsibility of the divisional accountant in respect of accounts is analogous to that of that sub-divisional officer in respect of works. But this does not imply that the divisional accountant is of the same status as the sub-divisional officer, or should be granted the same scale of pay and allowances.

(c) Sub-divisional officers ordinarily draw no allowance ; such an allowance is only granted when it is necessary to employ an officer of the subordinate service in sub-divisional charge. The amount of the allowance to be granted in such a case rests entirely with the Local Government concerned.

The reply to the second part of the question is in the affirmative.

# RAILWAY DISASTER NEAR HARAPPA ON THE NORTH WESTERN RAILWAY.

2258. **\*Mr. Harchandrai Vishindas** : (a) Has the attention of Government been drawn to the heavy loss of life caused by the collision between trains near Harappa on the N. W. Railway on the morning of the 29th August last ?

(b) If so, do Government propose to adopt any measures to prevent such disasters in the future such as the provision of front searchlights or other mechanical devices ?

**Mr. A. A. L. Parsons** : The Honourable Member is referred to the reply given in this Assembly on 10th September, 1924, to Diwan Bahadur M. Ramachandra Rao's question.

# SHORTAGE OF LICENSED COOLIES AT KARACHI CITY STATION ON THE NORTH-WESTERN RAILWAY.

2259. **\*Mr. Harchandrai Vishindas** : Has the attention of Government been drawn to the complaints regarding the shortage of licensed

coolies at the Karachi City station resulting in considerable waste of time and inconvenience to the railway passengers? If so do Government intend to take steps to obviate such loss and inconvenience?

**Mr. A. A. L. Parsons :** No, but a copy of this question and answer will be sent to the Agent, who will doubtless discuss the matter with his Local Advisory Committee.

**WORKING HOURS, INCREASE OF LEAVE RESERVE, ALLOWANCES, ETC., OF POSTAL EMPLOYEES.**

**2260. \*Mr. Amar Nath Dutt :** (a) With reference to the Honourable Mr. A. C. Chatterjee's reply to question No. 201 given on the 15th March 1924, will the Government be pleased to state, of the 24 items of the Joint R. M. S. conference out of which 3 were accepted, which 7 were not accepted by the Deputy Postmasters-General and which 4 were rejected by the Director-General? Were the Deputy Postmasters-General unanimous in not accepting each of the 7 items? What were the reasons for the refusal of the 4 items by the Director-General?

(b) Will the Government please state what action has since been taken on the 10 items that were under consideration when the Honourable Member gave his reply?

(c) In view of the improved financial condition do the Government propose now to accept items (a), (b), (d), (e), (f), (g) and (h)? Has the Director-General submitted any proposal for the consideration of Government with reference to item (k)? If not, do Government propose to direct the Director-General to do so?

**The Honourable Mr. A. C. Chatterjee :** The answer is rather lengthy and with the Honourable Member's permission I will lay it on the table.

(a) Nos. VI, XIII and XVI were accepted by the Deputy Postmasters-General.

Nos. I, V, VII, VIII, XVIII, XXI and XXII were not accepted by the Deputy Postmasters-General; and Nos. III, IX, X and XX were rejected by the Director-General.

As regards recommendations Nos. V, VII, XXI and XXII, the Deputy Postmasters-General were unanimous. As regards recommendations Nos. I, VIII and XVIII opinion was divided.

Both on administrative and financial grounds the four recommendations were rejected by the Director-General.

(b) Of the ten items that have been under consideration—  
four have been accepted,  
two have been rejected, and  
four are still under consideration.

(c) The Honourable Member is under a misunderstanding as to the actual financial position of the Post and Telegraph Department. In this connection his attention is drawn to the reply given by the Government to Mr. Joshi's starred question No. 2223 on 19th September 1924.

As regards items A, B, D, E, F, G, H—the Honourable Member's attention is invited to the reply given by Government to Mr. K. C. Neogy's question No. 14 on 15th March 1924.

As regards item K, the matter is still under the consideration of the Director-General.

### ABSENTEES IN THE R. M. S. AND IN CERTAIN POST OFFICES.

2261. **\*Mr. Amar Nath Dutt** : Will the Government please furnish the information asked for in Mr. K. K. Chanda's question No. 424, which Mr. G. R. Clarke in reply said was being collected ?

**Mr. H. A. Sams** : A statement containing the information, which was duly supplied to Mr. K. K. Chanda in Mr. Clarke's letter dated the 12th April 1924, is laid on the table.

Establishment.	Total Staff.	Average daily number of absentees during the quarter ending January 1924.	Percentage of the number of absentees to the total staff.
Calcutta General Post Office and its town sub-offices.	1,106	212	19·17
Calcutta Sorting Division .. ..	377	85	22·55
Jalpaiguri Division .. ..	99	22	22·23
Rangoon head office and its town sub-offices	345	70	20·3
Burma Mofussil post offices .. ..	740	135	18·2
Burma Railway Mail Service .. ..	93	24	25·8
Lahore head office and its town sub-offices	207	29	14
Bombay General Post office and its town sub-offices.	1,188	187	15·74
Foreign Mail Division, Railway Mail Service	105	18	17
Madras General Post Office and its town sub-offices.	437	63	14·42
Railway Mail Service, Eastern Circle ..	1,051	212	20·17
Railway Mail Service, Northern Circle.] ..	1,094	192	17·55
Railway Mail Service, Western Circle ..	1,266	222	17·54

### LEAVE RESERVE OF THE RAILWAY MAIL SERVICE.

2262. **\*Mr. Amar Nath Dutt** : Does not the number of absentees in the R. M. S. exceed the number of leave reserve, and does not this compel double duty being done by sorters ? Will Government please consider the question of increasing the leave reserve as recommended by the Joint R. M. S. Conference ?

**The Honourable Mr. A. C. Chatterjee** : Except in Burma the number of absentees does not normally exceed the leave reserve, but when it does, double duty has to be performed. The whole question is being considered by the Director General and his recommendations will be considered by Government as soon as they are received.

### CENSORING OF CORRESPONDENCE OF PRIVATE PERSONS BY THE POLICE.

2263. **\*Mr. Amar Nath Dutt** : (a) Will the Government be pleased to state whether a registered book post packet sent on the 25th August, 1924 by the General Secretary of the E. B. Railway Indian Employees' Association, Kurigram, addressed to Babu Mukunda Lal Sircar, 72, Canning Street, Calcutta, was delayed in delivery, as the packet was first delivered to the Deputy Inspector General of Police, Intelligence Branch, 13, Elysium Row, Calcutta, who then returned it for delivery to the addressee ?

(b) Will the Government be pleased to state whether the postal authorities are empowered to deliver any packet to people other than the addressee ?

(c) If the answer to (a) be in the negative then will the Government be pleased to state if there is any such order by the Government on the Postal Department to send packets to the C. I. D. before being delivered to the addressee and if there is any such order will the Government be pleased to state the reasons for the same ?

**The Honourable Mr. A. C. Chatterjee :** The Honourable Member's attention is invited to section 26 (1) of the Indian Post Office Act, 1898, as amended by Act XIV of 1922. Government are not prepared to make any further statement.

**Mr. Chaman Lall :** Will the Honourable Member inform the House whether the correspondence of any Members of this Assembly is being so treated by the C. I. D. ?

**The Honourable Mr. A. C. Chatterjee :** I am unable to make any statement.

**Mr. Amar Nath Dutt :** Will the Honourable Member kindly state whether the addressee is a political suspect ?

**The Honourable Mr. A. C. Chatterjee :** I do not know.

**Mr. Chaman Lall :** Will the Honourable Member have inquiries made ?

**The Honourable Mr. A. C. Chatterjee :** No.

**Mr. Chaman Lall :** Is it against public policy ?

**The Honourable Mr. A. C. Chatterjee :** It is against the public interest.

**Mr. Chaman Lall :** Is the Honourable Member aware of the fact that the Home Member gave an undertaking in this House that he would look into this matter if his attention is drawn to it ?

**The Honourable Mr. A. C. Chatterjee :** I am not aware of it.

**The Honourable Sir Alexander Muddiman :** Most certainly I did ; but nothing was brought to my notice.

**Mr. Chaman Lall :** May I, Sir, with your permission put one more question ? Is the Honourable Member aware that I put a similar question in the last session and a similar undertaking was given ?

**The Honourable Sir Alexander Muddiman :** I have already told the Honourable Member that I gave the undertaking ; but nothing was brought to my notice.

**Mr. N. M. Joshi :** May I ask, Sir, whether people who are thus wronged by Government have any chance of getting any redress if the Honourable Member will not make any inquiry of the sort mentioned in the question here ? What is the method of getting redress in this matter ? Will not the Honourable Member give an answer, Sir ? There is a specific question here whether the correspondence of a particular person was not sent to the police. I want the Honourable gentleman to answer me whether he will not inquire about the case of this correspondence being taken to the police, and if after inquiry it is found that this gentleman is not a suspect that there is no reason to suspect his *bona fides*, why should his correspondence be sent to the police first ?

**The Honourable Mr. A. C. Chatterjee :** I have referred the Honourable Member to a provision of the law and I am not prepared to make any further statement.

**Mr. N. M. Joshi :** May I ask, Sir, whether it is right that Government should take away the letters of many people without any cause and send them to the police ?

**The Honourable Sir Alexander Muddiman :** Certainly not, Sir ; the Honourable Member assumes facts which do not exist.

**Mr. N. M. Joshi :** I want the Government to inquire into the facts of this case.

**Mr. Amar Nath Dutt :** May I ask, Sir, where there is a case of litigation between a private gentleman and the Government, will Government open packets and letters sent to his legal advisers ?

**Mr. President :** That strikes me as hypothetical.

**Mr. N. M. Joshi :** Am I to understand that Government will not have any inquiries made into such cases of letters being sent to the police without any cause ?

**The Honourable Sir Alexander Muddiman :** I do not admit that letters are ever sent to the police without any cause.

**Mr. N. M. Joshi :** I therefore want the Government to inquire into the facts of this case.

**The Honourable Sir Alexander Muddiman :** I know nothing about it.

**Dewan Bahadur T. Rangachariar :** What guarantee is there that this provision of the law is not misused or abused ? What steps do the Government of India take to inform themselves ?

**The Honourable Sir Alexander Muddiman :** I have no reason whatever to suppose that it is misused or abused.

**Mr. Chaman Lall :** Will the Honourable Member inform the House whether in any case where correspondence was so sent the Government of India issued any instructions to that effect or not ?

**The Honourable Mr. A. C. Chatterjee :** The power rests with the Local Governments.

**Mr. Chaman Lall :** Is the Honourable Member aware that in several cases the Local Government does not authorise it and it is done on the initiative of the C. I. D. ?

**The Honourable Mr. A. C. Chatterjee :** I deny that statement, Sir.

#### SUPPLY OF FILTERED WATER TO THE RAILWAY EMPLOYEES AT PAKSEY ON THE EASTERN BENGAL RAILWAY.

2264. **\*Mr. Amar Nath Dutt :** (a) Has the attention of the Government been drawn to a paragraph in a Bengali Fortnightly named "Marmabani" of the 16th September, 1923 complaining about the supply of filtered water to the railway employees at Paksey on the E. B. Railway ?

(b) Is it a fact that two different kinds of water are supplied to European and Indian employees at Paksey and is it also a fact that the Indian employees do not get good water even for drinking while the European employees get a sufficient quantity of good water not only for drinking but also for the swimming bath and flushing of drains ?

(c) If the answer to (a) be in the affirmative will the Government be pleased to state the reasons for such racial discrimination in the matter of supply of water and do the Government propose to put a stop to it ?

**Mr. A. A. L. Parsons :** (a) Government have not seen the paragraph referred to.

(b) and (c). Government have no information but a copy of the question will be furnished to the Agent, Eastern Bengal Railway.

**Mr. Amar Nath Dutt :** I can hand the Honourable Member an issue of the paper—it is in Bengali.

**Mr. A. A. L. Parsons :** I shall be delighted to read it at leisure, Sir.

#### DECLARATION OF THE SERVICE OF THE MINISTERIAL STAFF OF THE RAILWAY DEPARTMENT AS RAILWAY SERVICE.

2265. **\*Khan Bahadur Sarfaraz Hussain Khan :** (a) Will the Government be pleased to state if they have passed orders declaring the service of the ministerial staff of the Railway Department as "Railway Service," quite distinct from Secretariat Service ?

(b) If so, will they please lay a copy of the orders on the table ?

**Mr. A. A. L. Parsons :** The Honourable Member is referred to the reply given to starred question No. 570 (Part 2) in the Legislative Assembly on the 17th March 1923:

#### WORK OF THE MINISTERIAL STAFF OF THE RAILWAY DEPARTMENT.

2266. **\*Khan Bahadur Sarfaraz Hussain Khan :** (a) Is there any difference between the nature of the work done by the ministerial staff of the Railway Department and that of the other Departments of the Government of India Secretariat ?

(b) If so, will the Government please state what it is ?

**Mr. A. A. L. Parsons :** (a) and (b). Yes, in so far as the staff deal with railway subjects which are of a technical nature.

#### CLASSIFICATION OF DISTRIBUTORS IN GOVERNMENT PRESSES AND RECORD SUPPLIERS IN THE MILITARY ACCOUNTS OFFICES AS SUPERIOR SERVANTS.

2267. **\*Khan Bahadur Sarfaraz Hussain Khan :** (a) Is it a fact that distributors employed in the Government of India Presses in Calcutta, Delhi and Simla, the Foreign and Political Department Press and the Press of the Private Secretary to His Excellency the Viceroy and record suppliers in the Military Accounts offices have now been classed as "Superior Servants" ?

(b) Is it a fact that the record sorters of the Government of India Secretariat are classed as "Inferior Servants" ?

(c) If the facts stated in (a) and (b) are correct, will the Government please state if there is any difference between the nature of work of those who are classed as "Superior Servants" and those who are classed as "Inferior Servants" ; and if so, what is it ?

**The Honourable Sir Alexander Muddiman :** (a) The Foreign and Political Department press no longer exists. Distributors employed in the

other presses mentioned whose monthly earnings exceed Rs. 15 have been classed as superior servants. Record suppliers in the Military Accounts offices have also been classed as such.

(b) Yes.

(c) Yes. Distributors are technical workers and require a fair amount of technical skill. The duties of record sorters in the Government of India Secretariat are mainly mechanical and require a very low standard of literacy. The duties of record suppliers in the Military Accounts Department differ from those of these record sorters in being more of a clerical nature.

**Diwan Bahadur T. Rangachariar** : Will the Government consider the desirability of dropping these distinctions unless it is absolutely necessary. All labour is honourable, whether in the superior service or in the inferior service.

**The Honourable Sir Alexander Muddiman** : Does the Honourable Member merely require a change in terminology ?

**Diwan Bahadur T. Rangachariar** : Yes.

**The Honourable Sir Alexander Muddiman** : Certainly, I will consider it.

**Khan Bahadur Sarfaraz Hussain Khan** : May I draw the attention of the Government to the circular of 1915 in which Government themselves admitted that the status of these men was much superior to the menial service ? Are the Government prepared to regard the sorters under the title of superior service ?

#### PAY OF POSTMEN AND POSTAL CLERKS IN THE BOMBAY CIRCLE.

2268. **\*Mr. N. M. Joshi** : (a) Will Government be pleased to state whether it is a fact that in 1900 and before that time in the Bombay Circle of the Postal Department the postmen used to be given the same pay as their maximum which the postal clerks used to get as their minimum ? If so, was it the practice of the Postal Department to maintain these two scales in that proportion ?

(b) If the answer to (a) above be in the affirmative, will Government be pleased to state whether the same proportion in the scales of the postmen and the postal clerks has still been maintained ? If not, has it been increased or decreased ? If the latter, why so ?

**Mr. H. A. Sams** : (a) The rates of pay for postmen have never been fixed with reference to the pay for clerks and, if at any time the maximum pay of the former has been equal to the minimum pay of the latter, the position has been fortuitous.

(b) Does not arise.

#### INCREASE OF PAY OF POSTMEN.

2269. **\*Mr. N. M. Joshi** : (a) Will Government be pleased to state whether they are aware that the postmen prefer a net increase in their pay without any allowance to less pay and some allowances which they get at present ? If so, will they consider the possibility of discontinuing all the present allowances and giving them adequate increase in their salaries ? If not, why not ?



(b) If the reply to the earlier part of (a) above be in the negative, are Government prepared to take steps to ascertain what the views of the postmen are in the matter? If not, why not?

**The Honourable Mr. A. C. Chatterjee :** (a) The answer to the first part of the question is in the negative. The other parts do not arise.

(b) As I am not aware of any grievance, I see no reason for starting an inquiry of my own motion.

#### REVISION OF PAY OF POSTAL RUNNERS IN THE BOMBAY CIRCLE.

2270. \***Mr. N. M. Joshi :** Will Government be pleased to state whether any increase in pay has been given to the postal "runners" in the Bombay Circle since the war? If so, when was it given and what was the percentage of the increase? If not, will they take immediate steps to give them the increase? If not, why not?

**Mr. H. A. Sams :** The pay of postal runners in the Bombay Circle was revised from the 1st March 1916 and the 1st March 1918, with the result that their minimum pay is now 100 per cent. and their maximum pay 43 per cent. higher than it was before the war.

#### GRANT OF RELIEF TO POSTAL RUNNERS.

2271. \***Mr. N. M. Joshi :** Will Government be pleased to state whether it is a fact that the Postal Inquiry Committee of 1920 did not consider the question of giving relief to the postal "runners"?

**Mr. H. A. Sams :** It is not a fact.

#### LEAVE RESERVE FOR POSTMEN AND MENIALS IN THE BOMBAY CIRCLE.

2272. \***Mr. N. M. Joshi :** (a) Will Government be pleased to state whether it is a fact that in the Bombay Circle no reserve staff has been maintained in the mofussil for postmen and menials who go on casual leave? If so, why?

(b) If the reply to (a) above be in the affirmative, do Government propose to consider the advisability of appointing some reserve staff for postmen and menials in the mofussil and devising some method by which it can be made available to the particular place to which it is required?

**Mr. H. A. Sams :** (a) Yes, because it is an accepted general principle that the grant of casual leave shall involve no extra expense to Government.

(b) For this reason Government are unable to accept the suggestion.

#### GRANT OF LEAVE PRIVILEGES TO POSTAL MENIALS IN THE BOMBAY CIRCLE.

2273. \***Mr. N. M. Joshi :** Will Government be pleased to state whether in the Bombay Circle any reserve staff has been maintained in the mofussil for giving more leave privileges to the menials of the Postal Department? If so, what is their percentage to the total number of menials?

**Mr. H. A. Sams :** The reply is in the negative.

## RAILWAY CONCESSION FARES TO STUDENTS OF NATIONAL SCHOOLS.

2274. \***Mr. N. M. Joshi** : (a) Will Government be pleased to state whether, in the Bombay Circle any reserve staff has been maintained in February last to give concession in season ticket fares to the students of the National schools on the ground that their rules did not admit of this concession being granted to the students attending schools not recognised by Government ?

(b) If the answer to (a) above be in the affirmative, are Government prepared to advise the Railway Administrations in India to so change their rules as to admit the concessions in season ticket fares being given to all the students attending any public school irrespective of its being recognised by Government or not ? If not, why not ?

**Mr. A. A. L. Parsons** : (a) and (b). The Honourable Member is referred to the reply given in this Assembly on 15th September 1924 to question No. 1904.

## REPRESENTATION OF PASSENGERS' ASSOCIATIONS ON THE LOCAL ADVISORY COUNCILS OF RAILWAYS.

2275. \***Mr. N. M. Joshi** : (a) Will Government be pleased to state whether they are aware of the existence of associations in Bombay, Madras, Calcutta and Karachi, representing the railway passengers ? If so, have any of these associations been given any representation on the Local Advisory Boards or Councils ?

(b) If the answer to the latter portion of (a) above be in the affirmative, will Government be pleased to give a list of Railways and Local Advisory Councils which have given such representation to the Passengers' Associations and a list of those associations to which such representation is given ?

(c) If the answer to the latter portion of (a) above be in the negative, are Government prepared to take steps to see that such Passengers' Associations which represent the railway passengers, wherever they exist, are given representation on the Local Advisory Councils of Railways ? If not, why not ?

**Mr. A. A. L. Parsons** : The Honourable Member is referred to the reply given in this Assembly on 3rd September 1924 to Mr. Bhubanananda Das' question No. 1619.

## CONSTITUTION OF LOCAL ADVISORY COMMITTEES OF VARIOUS RAILWAYS.

2276. \***Mr. N. M. Joshi** : Will Government be pleased to place on the table a copy of the constitutions and rules of the various Local Advisory Committees set up in connection with the various Railways in India ?

**Mr. A. A. L. Parsons** : The Honourable Member is referred to the reply given in this Assembly on 2nd June 1924 to Mr. N. C. Kelkar's question No. 1192.

## WITHDRAWAL OF OFFICIAL RECOGNITION OF THE OUDH AND ROHILKHAND RAILWAY UNION.

2277. \***Mr. N. M. Joshi** : Will Government be pleased to state the reason why the official recognition of the Oudh and Rohilkhand Railway Union has been withdrawn by the railway authorities ?

**Mr. A. A. L. Parsons :** The recognition was withdrawn as the character and general tone of the official organ of the Union was calculated to impair the relations between the Administration and the staff, and generally to undermine the authority of the Administration.

GRIEVANCES OF THE BENGAL AND NORTH WESTERN RAILWAYMEN'S ASSOCIATION.

2278. **\*Mr. N. M. Joshi :** (a) Will Government be pleased to state whether their attention has been drawn to the resolutions passed by the workmen of the B. and N. W. Railwaymen's Association in their mass meeting held at Gorakhpur on the 22nd June 1924 and which have been forwarded to the Agent of the Railway Company and the Railway Board ?

(b) If the answer to (a) above be in the affirmative, will Government be pleased to state whether they have inquired into the allegations made in resolution No. 1 in respect of the compulsion being put upon the men in the railway workshops in the matter of making them members of the Welfare Committees which (compulsion) had at times gone to the length of threatening loss of service on the part of the workmen if they did not join the Welfare Committees ? If so, what steps, if any, have Government taken to stop this practice of compulsion ?

(c) If the answer to (a) above be in the affirmative, will Government kindly state whether they have inquired into the grievances mentioned in resolutions Nos. 2, 3 and 4, and what steps they have so far taken to remove them with special reference to the complaint of insufficient and inadequate supply of drinking water ?

**Mr. A. A. L. Parsons :** (a) Yes.

(b) Yes, and Government have the Agent's assurance that no one has been dismissed for having refused to be a member of the Welfare Committees.

(c) No. The representations related mainly to matters of domestic administration of the Company's staff with which Government do not interfere.

WELFARE COMMITTEES ON THE BENGAL AND NORTH-WESTERN RAILWAY.

2279. **\*Mr. N. M. Joshi :** (a) Will Government be pleased to state whether the Agent of the Bengal and North Western Railway sends replies to the representations made by the B. and N. W. Railwaymen's Association which has its headquarters at Gorakhpur ? If not, why not ? If the Government have no information about this matter, will they kindly inquire ?

(b) Will they also state whether there are any Joint or Welfare Committees set up on the B. and N. W. Railway to consider the grievances of the employees ?

(c) If the answer to (b) above be in the affirmative, will Government be further pleased to state how these Committees are constituted, how many they are, how many meetings each has so far held and what grievances they have so far considered and redressed ?

**Mr. A. A. L. Parsons :** (a) Government have no information nor do they propose to call for it. Government do not interfere in matters relating to the administration of the Company's staff.

(b) and (c). So far as Government are aware, the Agent, B. & N. W. Railway, has formed District Committees as a medium of communication between the Company and its staff. They have no information beyond this and it is not a matter in which they are prepared to interfere.

**Mr. N. M. Joshi :** May I ask, Sir, whether the recognition of an Employees' Association is such a small detail that the Railway Board should not interfere at all ?

**Mr. A. A. L. Parsons :** I did not say it was a small detail, Sir. I said we did not generally interfere in matters of this kind, especially on a Railway like the Bengal and North Western, which is a purely Company Railway.

**Mr. N. M. Joshi :** May I ask, Sir, even if the Bengal and North Western Railway is a Company Railway, why the Railway Board should not make inquiry into this case and set up a proper machinery to adjust the relations between the employers and employees of the Railway ?

**Mr. A. A. L. Parsons :** Because we see no reason why we should make an inquiry. The Agent of the Railway has our full confidence and we do not distrust his action.

**Mr. N. M. Joshi :** Sir, if the Agent of the Railway has the full confidence of the Railway Board and they are not going to interfere in this business, why should the tax-payer's money be spent on the Railway Board at all ? May I get a reply to this ?

**The Honourable Sir Charles Innes :** The Honourable Member knows perfectly well that the Government of India have just circulated two letters for public opinion regarding (a) trades unions and (b) trade disputes. I suggest that he leave the matter in its present position until we have considered the replies given to those two circular letters.

#### ALLEGATIONS IN THE " WEEKLY MAZDOOR " OF LUCKNOW AGAINST RAILWAY ADMINISTRATION.

2280. **Mr. N. M. Joshi :** (a) Will Government be pleased to state whether their attention has been drawn to the allegations made in the *Weekly Mazdoor* of Lucknow, dated the 30th April 1924, on pages 3, 4 and 5, under headings " Gleanings into Mr. Naidu's Discharge ", " Bogus pay orders and Modern Daniel ", and " Preserving the Purity of the Administration ", respectively ?

(b) If the answer to (a) above be in the affirmative, will they be pleased to state whether they have inquired into these allegations brought against the Railway Administration ? If so, were they found to be substantially correct ? If so, what punishment did the Railway authorities mete out to the defaulters and what steps they have now taken to stop such abuses ?

**Mr. A. A. L. Parsons :** (a) and (b). The Government have seen these and other articles of the same type in the paper referred to. They have been in correspondence with the Agent on the subject and they understand that the question of what action if any should be taken against the Editor is under consideration.

DISCHARGE OF EMPLOYEES OF THE OUDH AND ROHILKHAND RAILWAY FOR TAKING PART IN THE TRADE UNION MOVEMENT.

2281. \***Mr. N. M. Joshi** : Will Government be pleased to give the number of men serving on the Oudh and Rohilkhand Railway who were discharged from service in 1923 and 1924 on account of their taking part in the trade union movement and especially in their own O. and R. Railway Union ?

**Mr. A. A. L. Parsons** : No employé has been discharged on the O. and R. Railway specifically for taking part in the trade union movement or by reason of connection with the O. and R. Railway Union during the years 1923 and 1924. One relieving station master was, however, discharged for the grave irregularity of using the service wires for transmission of telegrams in this connection and in view of his unsatisfactory record.

**Mr. N. M. Joshi** : Does the unsatisfactory record consist in his being a member of the Union ?

**Mr. A. A. L. Parsons** : No, Sir.

ESTABLISHMENT OF A CONCILIATION BOARD ON THE OUDH AND ROHILKHAND RAILWAY.

2282. \***Mr. N. M. Joshi** : Will Government be pleased to state whether the Oudh and Rohilkhand Railway Union had requested the Agent of that Ry. Company to set up a Conciliation Board for the settlement of disputes between the Company and the railway servants and of the former's grievances ? If so, was such a Board set-up ? If not, why not ?

**Mr. A. A. L. Parsons** : The Union suggested in April last that a Conciliation Board should be formed, but no action was taken. The dispute was not such as could suitably be referred to a Conciliation Board.

PROVISION BY THE MADRAS AND SOUTHERN MAHRATTA RAILWAY OF SCHOOLS FOR THE CHILDREN OF THE INDIAN EMPLOYEES.

2283. \***Mr. N. M. Joshi** : (a) Will Government be pleased to state whether they have received in April last a representation from the M. S. M. Railway employees containing their grievances for redress ? If so, have they or the authorities of the M. S. M. Ry. considered them ?

(b) If the answer to the latter portion of (a) above be in the affirmative, will they be further pleased to state to what extent they have decided to redress these grievances ?

(c) Will Government be pleased to state whether it is a fact that the M. S. M. Railway Company has provided schools only for the children of its Anglo-Indian servants and that there is no school provided by it for the children of its Indian servants ? If so, why this is so ?

(d) If the answer to (a) above be in the affirmative, do Government intend to recommend to the authorities of the M. S. M. Ry. to take immediate steps to start some schools for the children of their Indian servants ?

**Mr. A. A. L. Parsons** : (a) and (b). The representation was to the Agent but unsigned copies were sent to the Railway Board for information.

(c) No, according to the latest information received the Madras and Southern Mahratta Railway have provided 5 schools for the children of Indian employees on their system.

(d) Does not arise, but the Honourable Member may like to know that the Railway Board are considering the whole question of the assistance given by railways towards the education of their employees' children.

PROVISION OF PERMANENT APPOINTMENTS FOR MEN RETRENCHED IN THE GOVERNMENT OF INDIA SECRETARIAT AND ATTACHED OFFICES.

2284. \***Lala Duni Chand** : Will the Government be pleased to place on the table of the House a statement showing :

- (a) The number of permanent men (excluding those who have been compulsorily retired or given gratuity) dispensed with under the recommendation of the Inchcape Committee in the Government of India and attached offices ?
- (b) The number of such men as have been permanently provided for elsewhere ?
- (c) If the number of vacancies be greater than the number of persons dispensed with as under (a) above, will the Government be pleased to state why preference was not given to these men ?

**The Honourable Sir Alexander Muddiman** : (a) The Honourable Member is referred to the reply given by Mr. Gwynne to Sir D. P. Sarvadhikary's question No. 142 on 9th July 1923.

(b) All the permanent men whose posts were retrenched, other than those who were retired, have been employed in permanent posts with the exception of five men belonging to the Finger Print Bureau whom it has been difficult to place in permanent posts owing to their lack of qualifications. These five men are employed in temporary posts.

(c) Does not arise.

**Lala Duni Chand** : Is it not a fact that there are yet about twenty-five persons who have been retrenched but have not been provided for ?

**The Honourable Sir Alexander Muddiman** : The Honourable Member has not listened to my answer.

AMENDMENT OF THE INDIAN NEGOTIABLE INSTRUMENTS ACT, 1881.

2285. \***Lala Duni Chand** : (a) Are the Government aware that the English Bills of Exchange Act is materially different in several respects from the Indian Negotiable Instruments Act ?

(b) Is it fact that some of the provisions of the English Bills of Exchange Act, are as a matter of practice and usage, generally followed by the Indian banks ?

(c) If the replies to (a) and (b) be wholly or partly in the affirmative, are the Government prepared to undertake legislation with a view to bring the Indian Negotiable Instruments Act into line with the English Bills of Exchange Act, in so far as the existing and growing state of the Indian banking and trade require ?

**The Honourable Sir Charles Innes** : (a) There are some important differences between the two Acts.

(b) The Government are not aware of the practice of Indian Banks in this respect.

(c) The question of amending the Indian Act so as to bring it into accord with the English Act is under consideration. A reference has been made to the Local Governments and the High Courts and the former have been asked to forward their views after consultation with the mercantile community.

#### PAYMENT OF INCOME-TAX BY CHEQUES.

2286. \***Lala Duni Chand** : (a) Are Government aware that those persons who have to pay Income-tax into Government Treasuries periodically are subjected to great inconvenience owing to the payments thereof not being accepted in the form of cheques drawn on banks ?

(b) Is it also a fact that the payments of the above tax by means of cheques on European banks are invariably accepted while those by means of cheques on the Indian Banks are invariably refused ?

(d) Do the Government propose under the circumstances, to issue instructions that the payment of the above tax by means of cheques on recognised banks both Indian and European be accepted, and that in this matter, no distinction be made between Indian and European Banks ?

**The Honourable Sir Basil Blackett** : At places where the treasury business is conducted by the Imperial Bank, cheques on banks having clearing amounts with the Imperial Bank are accepted. This procedure has been in force since 1920. No distinction is made between Indian and European banks.

#### ASSESSMENT TO INCOME-TAX OF THE PROFITS OF THE PUNJAB NATIONAL BANK, LTD., LAHORE.

2287. \***Lala Duni Chand** : (a) Is it a fact that the Income-tax authorities in the Punjab assessed income-tax in 1923 on the profits of the Punjab National Bank Ltd., Lahore, which were utilized by the bank in bringing to the market rate the Government securities held by it ?

(b) If the reply to (a) be in the affirmative, are the Government prepared to issue instructions to the Income-tax Authorities in the Punjab that such profits are not assessable to Income-tax, being utilized to cover the depreciation of the Government Securities ?

**The Honourable Sir Basil Blackett** : (a) and (b). The Government are not aware of details of the case referred to by the Honourable Member, nor are they prepared to discuss on the floor of this House the details of individual assessments. I would, however, invite the attention of the Honourable Member to the concluding portion of paragraph 42 of the Notes and Instructions in the Income-tax Manual on pages 92 and 92a, which lays down the principles governing such cases.

**Lala Duni Chand** : I may inform the Honourable Member that the sum of Rs. 50,000 is involved.

**Mr. President** : The Honourable Member may ask a question ; he may not give information at this stage.

## INCOME-TAX ON THE PROFITS OF JOINT STOCK COMPANIES.

2288. \***Lala Duni Chand** : (a) Is it a fact that under the Income-tax Act, the income-tax on the profits of registered joint stock companies is levied at a much higher rate than the rate at which the majority of the share-holders are assessed, and the share-holders are left to the inconvenient course of applying for refund of the excess amount ?

(b) Is it also a fact that a large number of the share-holders, who are either entitled to the refund of the whole amount of the income-tax, paid by the bank on their dividends, or are entitled to the excess amount fail to apply for the refund, and thus large sums remain with the Government, to which they are not entitled ?

(c) If the reply to (a) and (b) be in the affirmative, do the Government propose to take early steps to remedy the state of affairs, as described above ?

**The Honourable Sir Basil Blackett** : (a) In accordance with Part I of Schedule III of the Indian Finance Act, 1924, income-tax is deducted at the rate of one anna and six pies in the rupee in the case of every company and every registered firm whatever its total income. Under section 48 of the Indian Income-tax Act XI of 1922 the shareholders in the company and the members of the registered firm may claim a refund of the whole or a portion of the tax paid if they are liable to be taxed at a lower rate. The Income-tax Department has strict instructions to facilitate the grant of refunds in every possible way.

(b) In view of the certificates issued by companies along with dividend warrants enabling shareholders to obtain a refund of the income-tax, if any is due to them, there is no reason to suppose that any considerable sums remain with the Government to which they are not entitled.

Part (c) of the question does not arise.

## WORKING HOURS OF STATION MASTERS AND ASSISTANT STATION MASTERS ON THE NORTH WESTERN RAILWAY.

2289. \***Lala Duni Chand** : (a) Is it a fact that owing to the reduction, recently effected in the working staff of the North Western Railway Stations the station masters and the assistant station masters are required to be on Line-Clear duty for 12 hours instead of 4 hours as previously, and besides this are required to do miscellaneous work, which takes 4 to 6 hours, and thus altogether their duty extends over 16 to 18 hours ?

(b) If so, do the Government propose to take early steps and devise means to relieve the working-staff from the pressure of over-work ?

**Mr. A. A. L. Parsons** : (a) It has been ascertained that the facts are not as stated.

(b) Therefore does not arise.

## ALLEGED OUTRAGE ON A WOMAN BY AN EUROPEAN SOLDIER AT JUBBULPORE.

2290. \***Mr. Ambika Prasad Sinha** : (a) Has the attention of the Government been drawn to a report published in the "Amrita Bazar Patrika", dated the 20th August 1924, and headed "Alleged outrage on a woman by an European soldier at Jubbulpore" ?



(b) Will the Government be pleased to state the true facts of the occurrences ; and the steps taken in this connection ?

**Mr. E. Burdon :** (a) Government have seen a copy of the article referred to by the Honourable Member.

(b) The soldier concerned is being tried by District Court Martial and I shall let the Honourable Member know the result in due course.

The matter being *sub judice* there is nothing further which can be said at present in reply to this part of the question.

GRIEVANCES OF EMPLOYEES ON THE EASTERN BENGAL RAILWAY.

2291. **\*Mr. Ambika Prasad Sinha :** (a) Has the attention of the Government been drawn to a letter published in the "Amrita Bazar Patrika", dated the 29th August 1924, and headed "Grievances of Railway employees on the Eastern Bengal Railway" ?

(b) Are the statements made in the letter, relating to the hard lot of the Indian employees, substantially correct ? And what steps do Government propose to take in the matter ?

**Mr. A. A. L. Parsons :** (a) Government have seen the letter referred to.

(b) Government have no information but will draw the Agent's attention to the allegations contained in the letter.

GRANT OF KING'S COMMISSIONS TO CADETS OF THE MILITARY TRAINING SCHOOLS AT INDORE AND WELLINGTON, RESPECTIVELY.

2292. **\*Sir P. S. Sivaswamy Aiyer :** Will the Government be pleased to state :

- (a) The number of Indian cadets who were admitted to the Military Training School at Indore in the year 1918, and the dates on which their training commenced and closed ?
- (b) How many of these cadets were granted probationary King's Commissions, and whether their commissions were granted on the 1st December 1919 ?
- (c) Whether these cadets were informed that on their passing their probation satisfactorily, they would be given permanent King's Commissions, not from the date of their probationary appointment but from some subsequent date ?
- (d) Whether the Indian cadets who were appointed on probation, have all been now granted permanent King's Commissions, and if so, only with effect from the 16th July 1920, and not from 1st December 1919, when their probationary commissions were issued, thus causing them loss of service, and seniority, by a period of 7½ months ?
- (e) Whether the British cadets whose training at the Wellington Training School commenced in January 1919, were granted permanent King's Commissions with effect from the 29th January 1920 ?
- (f) Whether the military training undergone by the Wellington cadets in Britain, commenced before the military training of the July batch of the Sandhurst cadets of 1918 ?

- (g) Whether notwithstanding the fact, that even the British training of the Wellington cadets commenced subsequent to that of the Sandhurst cadets, they were granted permanent King's Commissions with effect from the 29th January 1920, the date of their probationary appointment, in seniority to the Sandhurst cadets of July 1918 by 5½ months ?
- (h) Whether there is any reason for the apparent inequality of treatment between the Wellington and Indore cadets, and for refusing to grant permanent King's Commission to the Indore cadets with effect from the 1st December 1919 ?

**Mr. E. Burdon :** As the answer to this question is rather long and unless read with replies previously given to other questions is obscure, with your permission, Sir, I will lay it on the table.

(a) 42 Indian cadets were admitted to the Military Training School at Indore in 1918. These cadets commenced their training on the 15th October 1918 and the period of training lasted for 12 months.

(b) 39 were granted probationary King's Commissions with effect from the 1st December 1919. 3 failed to qualify.

(c) The Government of India have no information on the point.

(d) 33 of the Indian cadets who were appointed on probation were subsequently granted King's Commissions with effect from the 17th July 1920. As regards the other 6, one died, 2 were found unsuitable and 3 resigned.

(e) The answer is in the affirmative.

(f) No. The military training which was undergone by the Wellington cadets in Britain commenced on the 20th September 1918, while that of the July 1918 batch of Sandhurst cadets commenced on the 10th September 1918.

(g) The Wellington cadets were not given seniority over all the Sandhurst cadets referred to by the Honourable Member for 70 per cent. of Sandhurst cadets were commissioned with effect from the 17th December 1919 and 30 per cent. were commissioned with effect from the 16th July 1920. The Government of India are not aware of the reasons which led to the extension of the period of training in respect of this 30 per cent. of the July 1918 batch of Sandhurst cadets.

(h) The attention of the Honourable Member is invited to the reply given on the 22nd February 1922 to question No. 196.

#### DATE OF TERMINATION OF THE CONTRACT WITH THE BURMA RAILWAY.

2293 **\*Maung Tok Kyi :** (a) Will the Government be pleased to state when the existing contract with the Burma Railways Co. will expire ?

(b) Is there any intention on the part of the Govt. to take over the Burma Railways, at the termination of the said contract ?

(c) What is the capital invested in the Burma Railways by the Government and the Burma Railways Co., respectively ?

**Mr. A. A. L. Parsons :** (a) The earliest date on which the existing contract with the Burma Railways Company can be terminated is the 31st December 1928.

(b) The question has not yet been considered.

(c) Rs. 19,34,02,713 by Government and Rs. 6,69,66,629 by the Company.

PURCHASE OF RAILWAYS IN BURMA CONSTRUCTED FROM "RICE CONTROL PROFITS."

2294. **\*Maung Tok Kyi :** (a) Is it a fact that the Government are negotiating with the Burma Government for the purchase of the lines of railways in Burma constructed from "Rice Control Profits" ?

(b) If so, will the Government be pleased to state if the terms of purchase have been settled or not ?

(c) If the answer be in the affirmative, will the Government be pleased to lay the terms on the table ?

**Mr. A. A. L. Parsons :** (a) The reply is in the affirmative.

(b) and (c). The terms of purchase have not yet been settled.

BALANCE OF RICE CONTROL PROFITS IN THE HANDS OF GOVERNMENT.

2295. **\*Maung Tok Kyi :** (a) Is there any portion of the "Rice Control Profits" still in the hands of the Government ?

(b) If there is, will the Government be pleased to state the amount at the end of the financial year 1923-24 ?

(c) Will the Government be also pleased to state if they have ever paid interest on the balance of "Rice Control Profits" in their hands ?

**The Honourable Sir Basil Blackett :** (a) and (b). Rs. 3,07 lakhs according to the Burma Government's Revised Estimate for 1923-24.

(c) Under the existing practice interest is not paid on Provincial Government balances.

REVISION OF THE AJMER MUNICIPALITIES REGULATION.

2296. **\*Bai Sahib M. Harbilas Sarda :** (a) Was the Ajmer Municipalities Regulation at present in force in Ajmer-Merwara enacted 40 years ago and has it not been amended since to bring it into line with the Municipal Regulations in force in other parts of India like the United Provinces, Bombay or Bengal ?

(b) Is it a fact that a new Municipal Regulation for Ajmer-Merwara was framed about 4 years ago but has not yet received the assent of the Governor General in Council ? If so, is it likely to come into force before the next municipal elections take place in Ajmer in 1925 ?

**Mr. Denys Bray :** (a) The Ajmer Municipalities Regulation was introduced in 1886 and has been amended once to bring section 128 into line with the corresponding section of the Punjab Municipal Act.

(b) The reply to the first part is in the affirmative. As regards the second part, the revised Regulation will probably come into force before the end of this year.

WOUND, DISABILITY AND FAMILY PENSIONS IN CONNECTION WITH CASUALTIES OCCURRING IN WAZIRISTAN OR ON THE NORTH-WEST FRONTIER.

**Colonel J. D. Crawford :** With your permission, Sir. I would like to put the question of which I have given private notice.

Will the Government be pleased to state :

(a) what is the existing practice regarding the grant of wound, disability and family pensions to officers and men and their

families as the result of casualties occurring in Waziristan or on the North-West Frontier ?

(b) what has been the practice in the past ?

**Mr. E. Burdon :** Sir, the answer to this question also is rather long, but as it relates to a matter which has provoked a considerable amount of interest recently, perhaps the House will permit me to read out the reply.

On the presumption that the Honourable Member's question refers to the Indian Army only, the answer is as follows :—

- (a) Wound pensions as such have recently been abolished and disability pensions have taken their place. In the case of *British officers of the Indian Army*, the grant of *disability pensions* is governed by the provisions of the revised paragraph 427 *et seq*, P. and A. Regulations, Part II, as published with A. I. (I.) No. 791 of 1924. Disability pensions are granted in respect of all casualties which are attributable to military service, and among such casualties no distinction is made between those which are due to field service and those which are not due to field service.

*Family pensions* in the case of the above class of officers are granted under paragraph 482, P. and A. Regulations, Part II. No distinction is made between cases in which death is connected with field service and those in which it is not. Higher rates of pension may be granted if an officer's death is due to wounds, injuries or disease directly attributable to the conditions of service.

As regards *Indian officers holding the Viceroy's Commission and Indian ranks*, the *family pension* is the same whether the officer or man is killed on field service or dies from any cause attributable to military service. In the case of *disability pensions* for this class, only 3-4ths of the field service rate is admissible, if the disability is not attributable to service in the field. The question whether casualties arising in Waziristan, in circumstances similar to those encountered on field service, should not be viewed as arising on field service for the purpose of the assessment of disability pensions is at present being considered.

- (b) The rules which before, during and after the war regulated wound, injury and family pensions admissible to all ranks of the Indian Army have recently undergone a complete revision, and the present position is as described in my answer to part (a). Under the pre-existing rules special provision was always made for the grant to Indian officers and other ranks of wound and family pensions in respect of casualties incurred during peace under conditions of service involving exceptional risk such as service in Waziristan. Important changes that the recent rules have introduced are—

- (1) wound pensions as such have been abolished, and have been replaced by disability pensions granted under the liberal conditions of eligibility which I have described ;  
and

- (2) a disability pension, unlike the old wound pension, is not admissible to an officer, other than a Viceroy's commissioned officer, unless he is invalided from the service.

**Sir Purshotamdas Thakurdas :** Sir, before I put the questions which stand in my name on the short notice list, I would like to say a few words. In view of the two Bills of which I had given notice, known as the Currency Bills, being ballotted for the 23rd, and being low on the ballot list, I asked the Honourable the Finance Member if he would be pleased to see that I got one of the Government days for discussion of these two Bills in the Assembly. The Honourable the Finance Member having expressed his inability to comply with my request, I next asked if he would accept private notice of a few questions, which practically touched the subject matter of the two Bills. He has been good enough to agree to answer these questions of which I gave private notice, and I will now proceed to put these questions one by one. Question No. 1.

**The Honourable Sir Basil Blackett :** I would ask the Honourable Member to put all the questions together.....

**Mr. President :** Order, order. All Honourable Members have not the printed copies of these private questions.

**Sir Purshotamdas Thakurdas :** I will read them out. May I know if the Finance Member would like me to read all the questions together ?

**The Honourable Sir Basil Blackett :** I will answer the first four together.

**Sir Purshotamdas Thakurdas :** Then I will read the first four questions together.

#### PUBLIC SUBSCRIPTIONS TO THE GOVERNMENT OF INDIA LOAN.

##### INCREASE IN THE BANK RATE.

##### STRINGENCY OF THE INDIAN MONEY MARKET.

**Sir Purshotamdas Thakurdas :** 1. What is the total amount of the Government of India loan subscribed this year by the public ?

2. Is it a fact that the Bank Rate was increased by 1 per cent. to 5 per cent. in the third week of August last ?

3. Will Government name similar precedents in the last 25 years when the Bank Rate had to be put up in the month of August ?

4. Are Government aware that the money market in India is tighter at present than in corresponding periods of normal years ?

**The Honourable Sir Basil Blackett :** (1) The amount subscribed by the public to the Government of India Rupee Loan this year was Rs. 13,20,77,200.

(2) The Imperial Bank of India raised its rate from 4 per cent. to 5 per cent. in the third week of August 1924.

(3) The bank rate was raised in 1906 and 1913 by the Bank of Bengal from 4 per cent. to 5 per cent. during August, from 3 per cent to 5 per cent. and from 4 per cent. to 6 per cent. by the Bank of Bengal and the Bank of Bombay, respectively, in 1914 while in 1915 to 1921 inclusive the bank rate was 5 per cent. or over throughout August except that in

the case of the Bank of Bombay it was raised from 4 per cent. to 5 per cent. in the middle of August 1916.

(4) On the whole I think it is true to say that the money market in India is more stringent at the moment than usual at this time of the year.

**Sardar V. N. Mutalik :** How far is the Government loan responsible for this increase in the bank rate ?

**The Honourable Sir Basil Blackett :** I would ask that the rest of the questions might be put, because the answers to most of these supplementary questions will probably be found in the answers to the original questions.

**Sardar V. N. Mutalik :** I suppose I shall have an opportunity to put supplementary questions afterwards on all questions.

#### STRINGENCY OF THE MONEY MARKET.

#### FIXING OF A NEW GOLD RATIO FOR THE RUPEE.

#### REVISION OF THE PRESENT CURRENCY POLICY OF GOVERNMENT.

**Sir Purshotamdas Thakurdas :**

5. In view of the satisfactory state of the currency, will Government be pleased to explain the scarcity of money that was perceived last season and is felt as early as September this year ?

6. Are Government aware that apprehensions are widely entertained that unless the Government of India change their policy followed till now and arrange for automatic expansion of the country's currency, the tightness of the money market may increase seriously and affect the marketing of the crops of India during the next six months ?

7. Will Government be pleased to state their policy regarding provision of adequate currency in case of the apprehensions stated in question (6) above prevailing ?

8. Will Government be pleased to state when they expect—

(a) to take steps themselves to change the ratio in the Statute, or

(b) to give necessary facility for, and support to, a non-official Member suggesting a change from the two shilling ratio ?

9. (a) Has the attention of Government been drawn to a telegram from London printed in the *Bombay Chronicle* of the 27th August last, wherein it is stated that Lord Meston and Sir James Wilson stated last month that it is of great importance to the trade of India and the welfare of the population that the value in gold of the rupee should be stabilised ? Are Government aware that it is further stated by these authorities with considerable experience of Indian Finance that now that the rupee is again worth  $\frac{1}{15}$  of the gold in a sovereign, it will require no great effort to stabilise it at that rate ?

(b) Has the attention of Government been drawn to the issue of the *Financial News* of London which says that the continuance of the two shillings ratio on the Statute-book has brought India's trade and industry to the verge of bankruptcy ?

10. Are Government prepared to consider the question of appointing a Committee in India with a majority of Indians to revise the present

currency policy of the Government of India with special reference to provision of adequate currency and other cognate details ?

**The Honourable Sir Basil Blackett :** I propose to give a separate answer to question No. 9. In reply to the remainder of the questions, I think it will be more useful to make a general statement than to reply to each question independently in isolation.

(9) (a) I do not think that Lord Meston has expressed himself in favour of the immediate stabilisation of the rupee at 1s. 4d. gold. Sir James Wilson, writing to the " London Times " on the 22nd August 1924 does indeed advocate this course, but in doing so he writes :

" It might be necessary to reduce the quantity of rupee currency in circulation and this could most easily be done by withdrawing a portion of the greatly inflated note circulation."

This does not suggest that Sir James Wilson is closely acquainted with present day financial conditions in India.

(b) The statement that the continuance of the 2-shilling ratio on the Statute-book has brought India's trade and industry to the verge of bankruptcy seems to me patently incorrect and not to deserve serious attention either from the Honourable Member or from the Government.

In regard to the remainder of the questions, three separate points are raised :

- (a) the continuance of the statutory ratio of 2 shilling gold for the rupee ;
- (b) the question of substituting a ratio of 1s. 4d. gold ; and
- (c) stringency in the money market.

These questions are inter-connected but not so closely I think as is implied in the question.

As regards (a), the Government, as has been stated more than once, regard the 2 shilling ratio as inoperative but harmless. They desire that in due course an effective ratio should be substituted for the 2 shilling ratio, but it is necessary first of all to be sure that whatever new ratio is decided upon can be made fully effective as well as to determine what the new ratio ought to be. I would point out to the Honourable Member that a ratio of 1s. 4d. gold would have been as inoperative during the last busy season as the 2 shilling ratio was, and that the 2 shilling ratio cannot, therefore, be said to have prevented the automatic expansion of the currency.

(b) The Government do not think that it will be in the interests of India to fix a new gold ratio for the rupee forthwith, at a time when countries like Holland, Switzerland and South Africa regard a return to the gold standard in their own case as a somewhat rash experiment until they are more certain of what will happen to sterling. The satisfactory outcome of the London Conference on Reparations undoubtedly gives hope that the moment for action will be accelerated, but it has not yet arrived. When the time comes, it will be necessary that the Government should be in a position to make the rate decided upon fully effective, and that there should be means for supporting the exchange if it threatens to fall below the new statutory rate—a point which is not provided for in the Bills of which the Honourable Member has given notice. Moreover, before action can be taken very careful

consideration must be given to the question whether a rate of 1s. 4d. gold or some higher rate is most likely to be beneficial to India, regard being had to the interests of the consumer and the tax-payer as well as the other interests concerned. The Government are not in a position to fix the date when they expect themselves to be in a position to introduce legislation for altering the existing statutory ratio. Until that time comes, they are not prepared to support or give facilities to legislation on the subject introduced by a non-official Member. The question of appointing a Committee to consider and advise on currency policy before action is finally taken is one to which the Government have given, and will give, careful consideration. They are not, however, prepared to make an announcement on the subject at present.

(c) I have left to the last the question of stringency in the money market. Until the economic disturbances caused by the war when India's currency was greatly expanded have receded further into the background and until the new savings annually available for capital investment in India become more nearly equal to the demand, some stringency is probably unavoidable during the busy season in India. A rise in the bank rate may exercise a salutary check on speculation, but a very high rate long continued must hamper legitimate trade. I have already pointed out that a ratio of 1s. 4d. gold would not in any way have relieved the stringency during the last busy season whereas the Government were able, by issuing currency notes to a total of 12 crores against sterling in London, to provide material relief over and above the relief afforded by the emergency currency legislation. The Government recognise that, quite apart from the natural affection for cheap money which is always to be found in certain portions of any business community, there is serious disquietude at present in India in regard to the tightness of money and its possible effects during the coming busy season. The Government have already announced certain relaxations in the rules regarding the issue of emergency currency. Apart from this, they have every intention of using to the fullest extent necessary their powers to issue currency against purchases of sterling. But the Government are confident that by the free use of the powers available to them under existing conditions they will be in a better position to provide suitable relief for undue stringency during the coming winter than if they were to proceed immediately and, as they believe, hastily to alter the statutory ratio of the rupee.

**Sir Purshotamdas Thakurdas :** I hope the Honourable Member will not mind if I put a few supplementary questions arising out of the statement that he has made. I would rather not put these questions if he should mind it. The Honourable Member said that the tightness of the money market has put a stop to speculation. May I know, Sir, if the Government of India have any information as to speculation being rife or even likely in any important market in India at present ?

**The Honourable Sir Basil Blackett :** Certainly the Government have general information as to the state of various markets. Some forms of speculation may be desirable. Speculation in itself is not an undesirable thing. It is a mere question of its reasonable limits.

**Sir Purshotamdas Thakurdas :** My question was—are the Government aware of any objectionable form of speculation being rife at present which should be checked by tight money market ?



**The Honourable Sir Basil Blackett** : I do not think I can really be expected to enter into an argumentative discussion of this sort in answer to a question.

**Sir Purshotamdas Thakurdas** : With regard to the relaxation of rules, the Honourable Member said that the relaxation is that 4 crores are available to the Imperial Bank at 7 per cent. Do the Government of India propose to further consider the advisability of some more concessions in view of the tightness of the money market at present ?

**The Honourable Sir Basil Blackett** : I do not think I can add anything to the answer which I have already given on that point.

**Mr. Jamnadas M. Mehta** : Is not 7 per cent. itself a very heavy rate ?

**The Honourable Sir Basil Blackett** : It may or may not be.

**Mr. Jamnadas M. Mehta** : I want a definite answer ?

**The Honourable Sir Basil Blackett** : I have given it.

**Mr. Jamnadas M. Mehta** : Is it high in comparison with the London market rate ? I want a comparison to be made.

**The Honourable Sir Basil Blackett** : I have given the only answer that is possible, namely, that 7 per cent. may be a very high rate and it may be a very low one.

**Mr. Jamnadas M. Mehta** : It is not an answer ; it is an evasion.

**Sir Purshotamdas Thakurdas** : The Honourable Member has also referred to some stringency. May I ask the Honourable Member if he is aware that  $3\frac{1}{2}$  per cent. Government paper has gone down during the course of the last four weeks from  $68\frac{1}{2}$  to  $63\frac{1}{2}$ , that the 1926 Loan has gone down from Rs. 101|10|0 to Rs. 99|12|0 and that the latest Loan of the Government of India, to which the public subscribed 13 crores has gone down by Rs. 2 per cent.

**The Honourable Sir Basil Blackett** : The latest figures that I saw did not show such a large fall ; but I am perfectly aware that there has been a considerable fall.

**Mr. Harchandrai Vishindas** : Will the Honourable Member state whether he is in a position to say in what cases 7 per cent. will be considered to be a high rate of interest and in what cases it will be considered a low rate of interest ?

**The Honourable Sir Basil Blackett** : If the Honourable Member were trying to hold up produce on borrowed money when it ought to be sold, 7 per cent. might be a very desirable rate.

**Mr. Jamnadas M. Mehta** : Is it a fact that as a result of this new statutory rate, the currency has been contracted to the extent of 62 crores ?

**The Honourable Sir Basil Blackett** : That, Sir, is a question of arithmetic. If you take the effect of the old statutory rate from the date when it was first made effective, then it will be seen that the currency was increased by more than 62 crores.

**Mr. Jamnadas M. Mehta** : I mean from 1920 onwards. Is it not a fact that as a result of this new rate it is less by 62 crores than it would otherwise have been ?

**The Honourable Sir Basil Blackett** : I am not sure exactly from what date the contraction of the currency has begun. But there has been some desirable contraction of the currency during the last four years. If the Honourable Member will put down a question on this subject, I shall be able to give him an answer. I do not carry these figures in my head.

**Sir Purshotamdas Thakurdas** : Would it be correct to infer from the Honourable the Finance Member's statement that the Government of India are in favour of a higher ratio than 1s. 4d. gold and that they have not yet made up their mind to change the ratio from 2s. gold ?

**The Honourable Sir Basil Blackett** : It would not be a correct inference. The correct inference would be that this matter is one which the Government think should receive careful consideration.

**Mr. Jamnadas M. Mehta** : Is it not a fact that a higher rate of exchange is a very good incentive to imports ?

**The Honourable Sir Basil Blackett** : It is not a fact. A rising rate of exchange may nowever have that effect.

**Mr. President** : I think Honourable Members had better not put any more questions on this subject.

**Sir Purshotamdas Thakurdas** : I wish to express my sincere thanks to the Honourable Sir Basil Blackett for having given me this opportunity of bringing up this matter.

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### UNSTARRED QUESTIONS AND ANSWERS.

#### EMOLUMENTS OF POSTAL CLERKS AND R. M. S. SORTERS IN BURMA AND INDIA.

409. **Mr. M. C. Naidu** : Will the Government be pleased to state what was the starting and other grades of pay of the Post Office clerks and the R. M. S. sorters in Burma and in India prior to the introduction of the present time-scales of pay and what are the rates now, both in India and in Burma ? If they are equal, what led the Government to make them equal in total disregard of the special local conditions prevailing in Burma for which higher rates of pay existed prior to the introduction of time-scales of pay.

**The Honourable Mr. A. C. Chatterjee** : Prior to the introduction of the time-scales, the grades of pay for Post Office clerks and R. M. S. sorters in India of corresponding rank ranged from Rs. 30 to Rs. 100 except in Bombay City, Calcutta and Baluchistan where the minimum pay of Post Office clerks was Rs. 40. In Burma the grades for both Post Office clerks and R. M. S. sorters ranged from Rs. 40 to Rs. 100 except in Rangoon where the lowest grade for the former was Rs. 50.

The time-scales sanctioned for Post Office clerks and R. M. S. clerks in accordance with the recommendations of the Postal Committee, 1920, will be found in Commerce Department Resolutions No. 6458, dated the 23rd September 1920, and No. 6584, dated the 29th September 1920, which were published in the Gazette of India. Since those orders were issued, the time-scales of pay for Post Office clerks in Baluchistan and Rangoon have been raised from Rs. 45—140 and Rs. 50—140 to Rs. 55—140 and

Rs. 60—150 respectively, while the local allowance of R. M. S. sorters stationed in Rangoon has been increased from Rs. 10 to Rs. 20 a month.

The present position of Post Office clerks and R. M. S. sorters in Rangoon in relation to that of such officials in India calls for no comment. The Post Office clerks throughout Burma (outside Rangoon) have been placed on the same time-scale as officials of the same class in the largest and, therefore, the most expensive towns in India except Bombay, Calcutta (including Howrah and Alipore), Madras, Karachi, Lahore and Delhi. In the case of R. M. S. sorters generally, it has been recognised that their work is of a somewhat lower order than that of Post Office clerks and they have accordingly been placed on time-scales which, though equal in respect of the minimum, falls short by Rs. 10 in respect of the maximum of the scales provided for Post Office clerks serving in the same localities. As, therefore, the R. M. S. sorters in India with the exception of those whose headquarters are at Bombay, Calcutta (including Howrah) and Madras have for the most part to live at places where Post Office clerks are on a time-scale of Rs. 40—130, they have been placed on a time-scale of Rs. 40—120, and, in accordance with the same principle, the R. M. S. sorters in the Burma mofussil have been given the latter time-scale, seeing that the Post Office clerks serving in the same localities are on a time-scale of Rs. 40—130.

#### GRANT OF BURMA ALLOWANCE TO POSTAL AND R. M. S. SUBORDINATES IN BURMA.

410. **Mr. M. C. Naidu:** (a) Are the Government aware that owing to the peculiar situation of Burma with which the means of communication are limited, the cost of living in Burma is appreciably higher than in India?

(b) Is it not a fact, that the officials in Burma do draw, in recognition of the costlier living, travelling allowance 50 per cent. more than what is admissible in India according to the Civil Service Regulations?

(c) Are Government aware that the officers of the Telegraph Service in Burma irrespective of their recruitment either in Burma or India, are in receipt of Burma allowance?

(d) Are Government aware also of the fact that the Postal Officers also in Burma whether recruited in Burma or in India, whether Europeans or Anglo-Indians or Burmans are also in receipt of Burma allowance?

(e) If so, will the Government be pleased to state the reason why such an allowance has been denied to the Postal and R. M. S. subordinates in Burma?

**The Honourable Mr. A. C. Chatterjee:** (a) Government believe that, generally speaking, the cost of living is higher in Burma than in India.

(b) The rates of daily allowance and road mileage in Burma are higher than the lowest rates in India but the percentage of excess varies with the pay of the officer concerned.

(c) and (d). Burma allowance is granted to all officers of the Telegraph Service who are transferable outside that Province and also to gazetted Postal officers who are so transferable. The normal scale of pay of such officers has to be fixed in reference to employment in India and not in Burma.

(e) As the Postal and R. M. S. subordinates, unlike the gazetted officers, are not transferable outside the Province, the grant of a Burma allowance would have been inappropriate. The proper course was to provide them with suitable scales of pay, and this has been done.

**GRANT OF COMPENSATORY ALLOWANCES TO THE POSTAL AND R. M. S. OFFICIALS IN THE MUFASSIL IN BURMA.**

**411. Mr. M. C. Naidu:** (a) Are Government aware of the fact that discontent runs high amongst the Postal and R. M. S. officials in the mufassil in Burma owing to the non-extension to them of the little relief granted recently to the officials in Rangoon in the shape of a small increase in pay to some and a compensatory allowance to others? (b) Do the Government know that the conditions of living, housing and foodstuffs, etc., are not on the whole any way better in the mufassil than those in the city of Rangoon. (c) If not, are the Government prepared to have the question properly investigated by a Committee consisting at least of half of its members from the accredited representatives of the Burma Postal Association, if there exists any doubt as to the existence of equally bad conditions of living in the mufassil?

**Mr. H. A. Sams:** (a) No.

(b) Government have reason to believe that the cost of living is substantially higher in Rangoon than in the ordinary stations of the Burma mufassil.

(c) Does not arise.

**DISMISSAL OF MR. SERAJUDDIN, A MACHINEMAN IN THE EASTERN BENGAL RAILWAY WORKSHOP AT DACCA.**

**412. Khwaja Abdul Karim:** Are the Government aware that Md. Serajuddin, a machineman at the Dacca E. B. Railway workshop, was dismissed from service in June last for simply saying his mid-day prayer in that office?

**Mr. C. D. M. Hindley:** Mr. Serajuddin was discharged from service for idling and absence from work and not for the reason stated in the question.

**PROVISION OF OVERBRIDGES AT CERTAIN LEVEL CROSSINGS IN DACCA.**

**413. Khwaja Abdul Karim:** Are the Government aware that several persons were killed and communication very often interrupted at important hours of the day by running trains at the Railway level crossings situated at (a) Dewan Bazar Road (b) Fulbaria Road (c) North Nawalpur Road and (d) Ticcataly Road in the city of Dacca on account of the absence of overbridges at these crossings? Do the Government propose to consider the necessity of creating overbridges at these crossings at an early date?

**Mr. C. D. M. Hindley:** Inquiries made show that no persons were killed during the last four years at any of the level crossings mentioned.

A foot overbridge near Dewan Bazar is provided but it is very little used.

So far as Government are aware, interruption to traffic is not excessive and overbridges are not necessary at present, but this is a matter that may suitably be brought to the notice of the Agent through his Advisory Committee.

#### REPRESENTATION OF THE RURAL CLASSES IN THE PROVINCIAL AND CENTRAL LEGISLATURES.

414. **Sardar Gulab Singh** : Will the Government please give the following information with regard to rural representation on legislative bodies :

- (1) The proportion of rural to urban population in India and in each province. (2) The percentage of the total revenue derived from the rural population and from the urban population. (3) The proportion of rural representation in Legislative Councils, Legislative Assembly and the Council of State.

**The Honourable Alexander Muddiman** : I gather that the Honourable Member wishes me to make a comparison between the proportion of the rural population to the total population, the proportion of revenue paid by the rural population to the total revenue and the proportion of the rural to the total representation in the various Legislatures in India. No statistics as to the proportion of the total revenue which has been paid by the rural population are available in the Government of India accounts. The urban and rural population of the various areas in India are given in Imperial table I to the Census Report. Similarly, the rural and urban seats in each Legislature in India can be gathered either from the electoral rules or from the return of the last general election. Copies of all these papers are in the Library. I note, however, that the distinction between rural and urban in the two cases is not identical and no useful purpose will, therefore, be served by tabulating the various proportions. In the case of the census tables, the rural population is the population living in towns and a town includes every municipality, every cantonment, all civil lines not included in municipal limits and every other collection of houses permanently inhabited by not less than 5,000 persons. For electoral purposes, on the other hand, urban seats were given generally to areas which were considered to have urban as distinct from rural characteristics.

#### RATES TRIBUNAL.

415. **Mr. N. C. Kelkar** : Will Government be pleased to state what progress has been made with regard to the scheme of the Railway Rates Tribunal ?

**Mr. C. D. M. Hindley** : The Honourable Member is referred to the answer given in this Assembly to question No. 2139 on 17th September 1924, on the same subject.

#### CORRESPONDENCE WITH THE BOMBAY GOVERNMENT *re* THE TAXATION COMMITTEE.

416. **Mr. N. C. Kelkar** : Will Government be pleased to lay on the table the correspondence which they had with the Government of Bombay on the question of the Taxation Committee ?

**The Honourable Sir Basil Blackett** : The reply is in the negative.

## COST OF MANUFACTURE OF INDIAN PAPER.

417. **Mr. M. C. Naidu** : Will the Government please state whether Indian paper can be manufactured at rates cheaper and of a quality equal to the imported article ?

**The Honourable Mr. A. C. Chatterjee** : I must ask the Honourable Member to await the result of the deliberations of the Tariff Board on this question.

## NORTH WESTERN RAILWAY SLEEPER CONTRACT.

418. **Lala Hans Raj** : (a) Will the Government be pleased to state if a Committee of inquiry of the Central Advisory Committee was appointed to go into the 5 years N. W. R. sleeper contract given in 1922 to Messrs. Spedding & Co. ?

(b) If the reply to part (a) be in the affirmative, will the Government be pleased to state if any evidence has been taken by this Committee, if so, will the Government be pleased to state if the evidence of any timber merchants was taken, if not, why ?

(c) Will the Government be pleased to state if the Committee has made any report, if so, will the Government be pleased to lay on table all the proceedings including the report ?

(d) Will the Government be pleased to state what action it intends to take on this report ?

**Mr. C. D. M. Hindley** : The Honourable Member is referred to the replies given to similar questions asked in this House by Mr. Chaman Lall on the 10th September and by Lala Duni Chand on the 3rd September.

PERSONAL EXPLANATION BY SARDAR BAHADUR CAPTAIN  
HIRA SINGH *re* REMARKS MADE BY PANDIT MADAN  
MOHAN MALAVIYA.

**Sardar Bahadur Captain Hira Singh** (Punjab : Nominated Non-Official) : Sir, I rise on a point of personal explanation. It was with great regret, Sir, a couple of days ago in my absence from the Chamber, that I heard that my Honourable friend, Pandit Madan Mohan Malaviya, made some incorrect remarks about me which were to the effect that I was reading out the notes provided to me by others.

(At this stage Pandit Madan Mohan Malaviya rose to speak.)

Sir, I have not yet finished my remarks. Sir, this House contains many excellent and very good speakers. But, with the exception of three or four, they were not born when I and other Indian soldiers were fighting in the frontiers of India to ensure that they may be born in peace and tranquillity. Not only that, but my friend, I should say, must have been enjoying his summer in a cool climate on the banks of the Ganges under big shaded trees and probably turning the pages of his law books or fortune and misfortune making books, when I was digging the trenches in Waziristan and Malakand. However, I have very great regard for my Honourable friend. But, to my misfortune, he and his admirers, or my admirers, think that I have got no opinion of my own on political questions.

**Mr. President :** Order, order. If the Honourable Member has a matter to explain in which he feels that he has been the subject of misrepresentation, he must do so in brief and appropriate terms. I understand he is referring to a passage which occurred in the speech of Pandit Madan Mohan Malaviya. Will he kindly come to the point now, so that we may get on with the business of the day.

**Pandit Madan Mohan Malaviya (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) :** Sir, my friend is mistaken in thinking that I said that he read notes prepared by others. I distinctly avoided saying that. When I was speaking, somebody from behind said that the notes were supplied by others. I said I did not want to say that, and I left the matter there. I did say I apprehended that the Captain had got into the habit of reading notes for the edification of some Honourable Members of the House. But I expressed that opinion because I could not believe that the sentiments which Captain Hira Singh gave expression to could proceed from the head or the heart of an Indian who had considered the subject thoroughly and spoke independently.

**Sardar Bahadur Captain Hira Singh :** I have, Sir, my own opinion and I form my own judgment just as any other Members do. They were in substance and form my own, and they give expression to my own thoughts and to my own views.

#### THE LAND CUSTOMS BILL.

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

“ That the Report of the Select Committee on the Bill to consolidate, amend and extend the law relating to the levy of duties of customs on articles imported or exported by land from or to territory outside British India, be taken into consideration.”

It will be remembered that when this Bill was referred to Select Committee there was a desire expressed in this House that the Bill should be so modified as not to give the Government any new powers in regard to land customs imposable upon Indian States. The Select Committee have dealt with that difficulty in a way that was fully agreed to in the Committee, and will I think meet the desires of the House. I do not think I need, therefore, do any more at this stage than make the motion.

**Mr. Jamnadas M. Mehta (Bombay Northern Division : Non-Muhammadan Rural) :** Sir, in giving my support to this motion of the Honourable the Finance Member I will, with the permission of the House, make a few observations about the changes that have been made in the original Bill by the Select Committee.

It is a satisfactory feature that it was found very easy to exclude the Indian States from the operation of this Bill. The draftsman's skill achieved in one moment what took us two hours to discuss in this House, and I think we are obliged to the draftsman who did it.

I may also inform the House that the effect of this, particularly on the people of Kathiawar, has been so great that I have received several messages expressing relief at the information that they have been so excluded. Perhaps the House will not understand why the people there were so anxious about this matter, unless I told them that during the time the Bombay Land Customs Frontier Act was applied at Viramgam the people of Kathiawar were, for 15 years, very much

[Mr. Jamnadas M. Mehta.]

harassed ; children, women and old men, whether in the winter or during the monsoon or in the dead of night or early in the morning by trains arriving at any hour of the day or night, and the British Government were identified with the reign of terror that prevailed. Any prospect of the reimposition of that measure or any other such measure has therefore always been looked upon with the same terror of alarm as any nation would experience, say, from a blockade by the British Navy.

The omission of Indian States from this measure is all the more welcome at this moment as I understand, Sir, that His Excellency the Viceroy is going to visit Kathiawar very shortly. I am informed that in Rajkote they propose to give an address to His Excellency the Viceroy, not because of this relief, but in connection with his visit. As a Swarajist, I would say at once that I do not approve of such visits, it is nevertheless a fact that an address is being arranged at Rajkote for His Excellency the Viceroy during his forthcoming visit. (A Voice : "Do you approve of such visits ?") I do not approve of them, but rather regard them as visitations. This proposed visit will mean an expenditure of about 30 lakhs of rupees to the poor people of Kathiawar and, as I have already said, I do not approve of such visits.

Then as regards the other changes in the Bill, there are several amendments which will be discussed in due course. I was glad to find that the veteran Sir Sivaswamy Aiyer, who thought I was merely giving expression to unfounded alarm, was on fuller information in the Select Committee persuaded to adopt the view that it was necessary to omit the Kathiawar States. I was accused by the *Statesman* of being a friend of the smugglers and the most rigid advocate of free trade, because I wanted the exclusion of the Indian States. If the writer had taken the trouble to understand the subject he would have seen that I repeatedly emphasized the fact that I did not want Government to lose any revenues, and that I only wanted to protect those who had no opportunity to place their views before the House ; but where ignorance is bliss, 'tis folly to be wise. I do not think the *Statesman* knows anything about the conditions in Kathiawar, otherwise it would not have written this "ridiculous nonsense," as Sir Basil Blackett said yesterday.

There is one other thing I would like to mention and that is that there is a provision in the Bill boldly importing certain sections of the Sea Customs Act without weighing whether all of them would be applicable or not ; in the Select Committee it was found very difficult to see whether each section would fit in properly or not, and the Select Committee very properly threw out the insertion of section 168 ; it contemplates that not only dutiable goods should be confiscated but also the wagon, the carriage, the horse, the bullock and any other thing in which such goods were conveyed ; but apparently not the driver. For Rs. 10 worth of goods it was absurd to confiscate the horse, wagon, bullock, etc. Therefore the Select Committee wisely threw out section 168 and Government very properly accepted it without much hesitation.

On the whole, the Bill as it comes from the Select Committee has been pruned of most of its objectionable features and I hope the House will agree to its being carried.



**Mr. President :** The question is :

" That the Report of the Select Committee on the Bill to consolidate, amend and extend the law relating to the levy of duties of customs on articles imported or exported by land from or to territory outside British India, be taken into consideration."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

**Mr. N. C. Kelkar** (Bombay Central Division : Non-Muhammadan Rural) : Sir, I rise to propose the amendment which stands in my name and which reads thus :

" In clause 4 (b), after the word ' alone ' insert the word ' dutiable '."

So that, if my amendment is given effect to, the clause will read thus :

" (b) prescribe the routes by which alone dutiable goods, or any class of goods specified in the notification, may pass by land out of or into any foreign territory, or to or from any land customs station from or to any foreign frontier."

Sir, if even an avowed friend and supporter of the Bill runs the risk of being called a friend of the smuggler, I stand a greater chance of that epithet being applied to me, if I stand to propose an amendment which may be construed as giving some indirect help to a smuggler. I disclaim however all intention to assist the smuggler in any possible way.

My only object in moving this amendment is to remove and redress the possible hardships which I honestly feel will come in the way of honest people living on either side of the frontier of British territory and foreign territory in the matter of their ordinary daily transactions, and also harmless transactions. Members of this Assembly, who may have done me the honour to read my minute of dissent, will have understood at one glance the gist of my argument, but I may as well state briefly that argument in support of my amendment. In order to appreciate and understand the purpose of my amendment, I will just ask Members of this Assembly to consider in their minds what is the real purpose of the Government in passing this Land Customs Bill. Let them apply their minds to this one point ; what is the real purpose ? The answer must be, the purpose is to levy and collect duty upon certain goods which Government think must be dutiable. Now it follows that, in putting this Bill into operation, Government begin with making up their mind as to what class they will make and declare to be dutiable, so that by implication at any rate, the other class of goods will not be regarded as dutiable. The first step in the Tariff Act, along with the establishment of Customs stations and establishment, will be to prepare an exhaustive and comprehensive tariff schedule of the classes of goods with the appropriate duty to be levied upon them. But once that has been done, once dutiable goods are clearly distinguished in writing, in black and white, for general information from goods upon which Government do not intend to levy any duty, I do not understand the object of Government in prescribing routes by which all goods, whether dutiable or not dutiable, must pass. Now what are the powers which it is necessary that this Land Customs Department must possess in order that they may effectively be enabled to levy the duties they want ? First of all they must establish customs stations for passing dutiable goods. Then they must be able to make rules, also of course according to my contention, for dutiable goods. Then

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they must be able to demand the production of permits and to enforce the detention of goods, that is to say, dutiable goods which have to pay duty and are not allowed to pass without paying this duty. But those are not the only powers which Government actually possess under the Bill, and will continue to possess if my particular amendment is accepted. And what is that supplementary or reserve power? There is some margin for adjustment. If Members of the House will look at the section, they will find that it does allow the Customs Department to make and prescribe rules not only for dutiable goods but also in the case of other goods but *specified* in the notification. My point is that, over and above dutiable goods, they can declare by notification a particular class of goods which, though they may not be dutiable, (and I do not object to the retention of that) are regarded as a margin for adjustment, if there is any doubt as to what class of goods may be regarded as dutiable. That is just the margin of reserve, the margin for adjustment, for clearing up doubts as to the character of goods which lie on the border line between dutiable and non-dutiable goods. Now imagine what the hardship will be for honest people living on either side of the frontier if you prescribe routes all along the frontier in big customs areas, and say to people, you shall not pass any goods—mark the words “any goods,”—not dutiable, or not even a particular class of goods which you declare to be dutiable and subject to the operation of the Act, by any other than the prescribed routes. You declare to people living on either side of the frontier that they are not allowed to take any kind of goods across the frontier, except at certain points, or through certain customs stations. Now I simply put it to this House to imagine what great hardship it will be to people living on either side of the frontier. The frontier has, of course, a distinct and definite meaning; it has great significance from a legal as well as a political point of view. I can quite understand that, and this House will also understand it: but what will be the effect for the honest traders living on either side of the frontier? It will be quite enough, Sir, if you can declare certain goods which are liable to duty according to the tariff and must pass through certain points, but what do you gain by penalising the import and export of any class of goods whatever? It is quite easy to imagine what class of goods will be penalised if this is put into operation rigorously. If they are smuggled across the frontier, of course I can understand the loss involved in such a matter. But I put to you, simple cases say, milk, fuel, rice, that is to say, goods which are necessary for the ordinary daily transactions of mankind. Now why should we penalise the import and export of goods which are not expected to pay any duty for the benefit of the Treasury? Why should we expect people to take all their goods to a particular point, and at long distances to particular customs stations in order that, in a remote event, the Treasury of Government may not lose?

Now I have already heard, and to my entire satisfaction, that Government do not for the present intend to apply the Bill to Indian States, but it will also be remembered that Government have kept in their hands all the reserve power, and therefore the possibility, if only they mean to put that into operation, of applying the Act also to Indian States.

**Mr. A. H. Lloyd :** No, the Bill would not allow of application to them.

**Mr. N. C. Kelkar :** Not this Bill, I understand. Now it has been admitted by Government that this Bill is even more drastic than the Bombay Act XXIX of 1857 and the Madras Act of 1854, and it has been admitted that both these Acts will remain in force and are not repealed. You will remember, when the Bill was originally brought before this House, it contained at the end a certain Schedule of enactments which it was intended to repeal. In the Select Committee, perhaps as a set-off against the immediate declaration of intention on the part of the Government, that they did not intend to apply the Bill to Native States, this Schedule was dropped, and the original reserve powers were kept by Government in their hands. Of course as a remote possibility, supposing some Indian States misbehave and allow dutiable goods to come through their ports into British territory, against that emergency Government intend to keep the reserve power in their hands, and they may then apply those powers. That seems to be the intention. I can quite conceive that such an emergency may not soon arise, but supposing it does, what happens? In such an event you have not to consider the hardships of subjects in foreign territories but of subjects in India itself.

**The Honourable Sir Basil Blackett :** I do not want to interrupt the Honourable Member but I would point out to him that this Bill does not give us any powers whatsoever in regard to customs frontiers on Indian States.

**Mr. N. C. Kelkar :** That Schedule was dropped, wasn't it?

**The Honourable Sir Basil Blackett :** That Schedule was dropped for the reason that the old Acts might remain still in force. We have our powers under those old Acts. The amendment that he is moving now will have no effect whatsoever on the old Acts.

**Mr. N. C. Kelkar :** When my Honourable friend interrupted me I was just coming to section 5 of the Indian Tariff Act. That only adds to the force of what I have been saying. All your reserve powers are there. You are not going to take away a little of the powers that you possess, and while section 5 of the Tariff Act is in force Indian States may possibly be declared foreign territory, and then these operations will begin. (*The Honourable Sir Basil Blackett and Mr. M. A. Jinnah :* "Not under this Bill.") Yes, under the other Acts—I mean, for instance, the Bombay Act. With regard to this Bill in particular you will further see in relation to subjects of Native States on the one hand and British territory on the other hand, you will further find, that the situation becomes aggravated by the fact that the offence of amendment, which was not originally an offence, has now been made an offence in this Select Committee's Bill. Now that affects the position in this way. It is quite conceivable, nay it is not only conceivable but quite possible, that people living in British territory will be penalised for this offence rather than people living in Native States. There is at least as much chance that these people will be penalised as other people. That means it does not seek to penalise only the subjects of other Governments. Of course it is all plausible enough to say that so far as the subjects of foreign territories are concerned, we need not have a tender corner in our hearts for them; but the position to my mind at once changes when, though in the remote

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event, steps are taken to put customs houses on the border between British territory and Indian States. Then you will at once see what will be the result of the present defective arrangement. And lastly, it is not as if the Government themselves had not made any distinction between dutiable and non-dutiable goods. They are cognizant of the distinction, they are aware that such a distinction exists; and therefore the onus is on them to prove why they must apply the same provisions also to non-dutiable as they have made applicable to dutiable goods. They do not, of course provide the penalty of forfeiture for non-dutiable goods but make the passing of non-dutiable goods an offence. Now these non-dutiable goods are not liable to be confiscated; they do not form the corpus of any criminal act; and yet there is the possibility of people being prosecuted for offences committed under this Act. Therefore I should like to go one step further and exempt non-dutiable goods from the obligation of passing by fixed routes. I think it will amply serve the purpose of Government and the Customs Department if dutiable goods, or a particular class of goods notified by them to be included with dutiable goods, are made to pass through particular customs stations, but exemption is given to other non-dutiable goods. Now if you include non-dutiable goods, the chances of detection will depend and will be limited by the strength and efficiency of your detective establishment, and the number of your checking stations. That I quite admit. But that also applies to dutiable goods. Now what difference would it make to a man who wants to smuggle? It makes no difference. The possibility of his successfully smuggling is in inverse relation only to the strength and efficiency of your detective establishment. Therefore the chances of smuggling are even, I suppose, in both cases. It is wrong in principle, it is simply absurd, to put under the same category of "smuggled goods," dutiable goods and non-dutiable goods. The distinction is quite clear and logical, and Government absolutely lose nothing by exempting non-dutiable goods from the operation of the Bill. Therefore I do hope that the House will support me in my amendment.

**Mr. A. H. Lloyd** (Member, Central Board of Revenue) : Sir, I hope that I shall be able to discharge to the satisfaction of the House, and I may even say that I hope to discharge to the satisfaction of the Honourable Mover of the amendment, the onus which he has laid upon us of showing that there is a good case for making no distinction between dutiable and non-dutiable goods in connection with section 4 of the Bill under consideration.

The first point I wish to make out, Sir, is this. The Honourable Mover of the amendment has reminded us that one of the purposes sought to be achieved by passing this Bill is to strengthen the administration of land customs on the frontiers of European foreign settlements in India. The amendment now before us seeks to remove a safeguard which we have at present which we have had in the case of one Presidency for 80 years and in the case of another for nearly 70 years. The Bombay Land Customs Act of 1857 gives the Governor in Council power by public notice to prescribe by what route and passes goods shall be allowed to pass into any such foreign territory. There is no limitation to dutiable goods there. The Madras Land Customs Act of 1844, section 12, gives the Governor in Council the same power to prescribe by public notice by what routes goods shall be allowed to pass into or out of any such foreign territory. Equally there is no limitation to dutiable goods there.

I should now like to make it clear to the Honourable gentleman who moved this amendment that there is no necessity here and now, when this Bill is passed, for Government to make up their mind what goods are to be dutiable. We already have the administration functioning and we have had for the best part of a century (*Mr. N. C. Kelkar* : "So much the better"); and so long as my knowledge of the history of the affair goes back, all the duties applicable to sea customs are applicable to the land customs between foreign European settlements in India and British India. This applicability was reaffirmed after the Indian Tariff Act of 1924 was passed, by Notification No. 24-T. of the Department of Commerce dated the 1st April, 1924, which runs as follows :

".....the Governor General in Council is pleased to declare the French Settlements of Pondicherry and Karikal and the Portuguese Settlements of Goa and Daman to be foreign territory for the purposes of the said section, and to direct that a duty of customs at the rate prescribed by or under the said (Tariff) Act in respect of any article, when imported into, or any article when exported from, a port in British India shall be leviable on any such article when imported or exported, as the case may be, by land from or to any of the said Settlements."

We have therefore to take the existing tariff. Now I have here the current Schedules attached to the Indian Tariff Act. The only articles which are free of duty appear in Part I of Schedule II of the import tariff which contains only 26 items. There are 152 articles in the whole tariff. Of these 26 articles are specified as free, several are exempt from duty only conditionally ; for instance, item No. 2—salt when issued for use in any process of manufacture ; item 11—uniforms and accoutrements imported by public servants for their personal use ; item 12—certain arms and ammunition when imported by officers of the Army and so forth. These obviously would have to be covered by the offer which the Honourable Mover of the amendment made to allow certain free goods to appear as "specified classes of goods". This still further reduces the small percentage which free goods bear to dutiable goods in the tariff. So small is this percentage and so comparatively unlikely are many of them to be imported from these European settlements, that I really think I can appeal to a House which contains a fair number of legal practitioners to agree with me that the hardship against which the Honourable Mover desires to protect the population is a very small one and that therefore the principle *de minimis non curat lex* should apply.

It is not the case, as the Honourable Member suggested that goods used in ordinary daily transactions are mostly free ; on the contrary they are nearly all dutiable. He mentioned two of them, fuel and rice. Firewood is not free ; and rice does not appear in this Schedule. And of course many articles not specified in the various items of the Tariff are covered by the last item in part V of the Schedule—"all other articles not otherwise specified"—dutiable at 15 per cent.

**Mr. N. C. Kelkar** : Is rice then contraband goods ?

**Mr. A. H. Lloyd** : I am dealing with the question of what is dutiable and what is not dutiable and not with the question of contraband. I do not suggest that rice is prohibited.

I have mentioned the unimportance of this so-called hardship referred to by the Honourable Mover. What I now wish to point out is the danger of agreeing to his proposal. It must, to my mind, be perfectly obvious to the majority of the Members of this Assembly that unless one is put in a position to check the claim that goods imported across the frontier are actually non-dutiable it is open to any smuggler to move

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goods across the frontier and run the risk of being caught by a customs officer—otherwise to get them through without any question. That is a risk which we on this side are not prepared to take, although the smuggler may be prepared to take it on his side. Let us look at the list of goods again. Several of them are articles which are obviously not readily identified when in transit. Take a small article such as quinine. Quinine is a white powder. We know several white powders which we should be anxious to take an opportunity of observing if they crossed the frontier; there is saccharine and there are other white powders in which the Excise departments are particularly interested. I admit there is one item—and I make a present of this to the Honourable Member—in the free Schedule which could at a glance be recognised by any one as being free; and that is the item “living animals”. We were told the other day in this House that it is easy to detect the difference between a prancing Arab steed and a wooden rocking horse; and I am quite prepared to admit that customs officers will have no difficulty in making such a distinction; but that is practically the only article in the list which would not expose us to risk if goods could be passed freely over the frontier. I must really ask the Honourable Mr. Kelkar “Has he had the opportunity, as I have had, of passing some of the frontiers in Europe?” They adopt elaborate precautions on these frontiers to prevent goods of all sorts from passing unless they are checked at the customs station. I may state the danger in this way—if goods alleged to be free are being carted across the frontier over any long distance it is obvious that an enormous staff of customs officials will be necessary in order to examine these goods and check the claim that they are free.

I hope that I have now satisfied the House that there is a good case for retaining the safeguard which we have had for so long in this matter. I will give one illustration which seems to me to be absolutely conclusive and it is this. If we are not entitled to prescribe the routes by which goods without exception shall pass one of these frontiers I imagine that we should be liable to be charged with some offence in the way of obstruction if we erected a fence between the stations. Now, Sir, we have such a fence round the territory of Daman. Does the Honourable Mr. Kelkar suggest that we must pull that fence down in order that free goods may pass those portions of the frontier which lie between the customs stations? I hope he does not make any such suggestion. The Honourable Mover of the amendment is probably a regular reader of the paper known as the *Mahratta*. The *Mahratta* on the 4th of May last expressed strong approval of the Bombay Excise Committee's report. I think it may therefore be taken that the Honourable gentleman also approves of the existing temperance efforts of the Bombay Government, which include rationing of supplies to shops. Now, there are many shops in the neighbourhood of the territory of Daman which are rationed. I leave it to the Honourable gentleman's imagination to consider the prospects of the rumbling of carts over these unguarded portions of the frontier; bearing supplies of liquor to supplement the possibly inadequate supplies under the ration system, which would be heard if the fence now in existence was pulled down. I therefore hope, Sir, that if it is too much to expect that the Honourable the Mover of the amendment will withdraw it, the House at least will not accept it.

The motion was negatived.

**Maung Tok Kyi** (Burma: Non-European): May I say a few words, Sir, as Burma also is greatly affected by this question?

**Mr. President**: The Honourable Member will have an opportunity of speaking when the motion to pass the Bill is made. I am afraid he is too late now.

Clause 4 was added to the Bill.

**Khan Bahadur Sarfaraz Hussain Khan** (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Sir, the amendment which I have to move is as follows:

“ In clause 5:

(i) In sub-clause (1), after the words ‘ to pass any ’ the word ‘ dutiable ’ be inserted.

(ii) To sub-clause (1), the following proviso be added:

‘ Provided that in all such cases, the permit shall be granted within 48 hours from the date of the application for such permit ’.”

**Mr. President**: Order, order. Before the Honourable Member proceeds I want to understand from the Honourable Member for the Central Board of Revenue whether if the House passes the first amendment which he proposes to move now it would not be stultifying the decision we have just arrived at.

**Mr. A. H. Lloyd**: As regards part I, it seems to me that the decision of the House just given would make the first part of this amendment meaningless.

**Mr. President**: The Honourable Member may move the second part of his amendment to sub-clause (1). The principle of the first amendment has already been dealt with by the House in the decision on Mr. Kelkar's amendment.

**Khan Bahadur Sarfaraz Hussain Khan**: Then, Sir, I move part (ii) of my amendment, which I have already read. My object in having this proviso really is that there should be no delay and people should not be put to any sort of inconvenience by any delay in giving them permit. I cannot blame the customs officer but there are many subordinates and, if nothing is provided here in the law as to the time within which the permit is to be given, the man who applies for a permit may have to wait there for a very long time and be put to much inconvenience. In our own places of residence we generally find that we have to wait long, at the time of the payment of Government revenue and cesses in courts, and are at times subjected to much harassment. But this sort of nuisance we feel even in our places of residence. But imagine the case of a man going out with all sorts of goods, and ordinary things, such as rice, clothes and other moveable articles, kept and arranged in boxes. There he applies for a permit and, if there is some delay in issuing the permit there is no knowing to what hardship and inconvenience he will be put. It is for this reason that I wish, with a view to removing this hardship, to insert this proviso which will compel the officer there to issue the permit within a certain period. It may not be 48 hours, it may be more, but something must be put in, so that the people passing through unknown land who have very little time to stay, may not be inconvenienced. So, Sir, my proviso is drafted with a view to that. It runs:

“ Provided that in all such cases, the permit shall be granted within 48 hours from the date of application for such permit.”

That is the proviso which I wish to add to sub-clause (1) of clause 5.

**Mr. A. H. Lloyd :** Sir, in rising to oppose this amendment, I wish to make it clear that I do so not because I have the slightest objection to the grounds which the Honourable Member urged in support of it. The Customs administration of this country always makes it its constant effort to see that members of the public are delayed as little as is possible, compatibly with the due performance of the duties of the Customs Department, in passing its goods. And that any delay so long as 48 hours can possibly occur—except conceivably in the case of a consignment sent during a series of close holidays,—say, when Christmas day is followed by a Sunday—is to my mind entirely out of the question. (*Khan Bahadur Sarfaraz Hussain Khan :* “ May I ask if a longer time might be accepted ? ”) I am prepared, Sir, in ordinary circumstances to agree that 12 hours would be an excessive limit, and I am also prepared to give an assurance—as representing the Central Board of Revenue—that in a case of disciplinary action against a Customs officer who detains a consignment five minutes longer than is necessary he will be dealt with as an offender. But my objection to this amendment is not in principle at all. I do object to it as being entirely and totally unnecessary. I must also point out that, apart from its substance, in the way it is drafted it is quite impossible. It is drafted as a proviso to sub-clause (1). Now sub-clause (2) of the clause deals with the payment of duty ; sub-clause (1) does not. The proviso should certainly be added to sub-clause (2) because we cannot put upon a customs officer a statutory obligation to grant a certificate until after the duty has been paid and the customs officer cannot be responsible that the duty is paid within 48 hours of the date of application. That is within the power of the party concerned. Moreover, if it was added as an amendment to sub-clause (2) of clause 5, the wording would have to be altered so as to bear some relation not to the date of application or not exclusively to that date, but also to the date of payment of duty or of verification that the goods are free of duty. I think, therefore, Sir, that it will be agreed that the amendment which has been moved is quite unworkable and also I hope that the House will accept the assurance of one of the representatives of the administrative department in this matter that it is totally unnecessary. All customs officers are consistently impressed with the duty of seeing that no applications for passing goods are subjected to any avoidable delay. I therefore oppose the amendment.

**Mr. President :** Amendment moved :

“ That to sub-clause (1) of clause 5, the following proviso be added :

‘ Provided that in all such cases, the permit shall be granted within 48 hours from the date of the application for such permit ’.”

The motion was negatived.

Clause 5 was added to the Bill.

Clause 6 was added to the Bill.

**Mr. V. J. Patel** (Bombay City : Non-Muhammadan Urban) : Sir, I beg to move the following amendment :

“ In clause 7, for all the words occurring after sub-clause (c), the following be substituted, namely :

‘ shall be liable on conviction by a Magistrate to a penalty not exceeding, when the goods are not dutiable, fifty or, where the goods or any of them are dutiable, one thousand rupees and the Magistrate may further direct in respect of dutiable goods that the same be confiscated ’.”



Sir, in the clause as it stands it is not stated who is to impose the punishment on the offenders. I will read the clause :

“ Any person who :

- (a) .....
- (b) .....
- (c) .....

shall be liable to a penalty not exceeding, where the goods are not dutiable, fifty or, where the goods or any of them are dutiable, one thousand rupees, and any dutiable goods in respect of which the offence has been committed shall be liable to confiscation.”

who is to impose this fine and to order the confiscation of the property is not clear from the clause itself. Presumably, it means, if it means anything at all, that the customs officers themselves who are to detect these offenders are invested with the powers to fine them and confiscate the goods. It is on principle that I have put forward this amendment. My view is that persons charged with detecting the offences should not also be the persons charged with the duty of convicting the accused persons, otherwise the prosecutor and the Judge would be one and the same person. It is therefore on a fundamental principle of criminal law that I have based my amendment. I realise the difficulty that this course would involve the employment of additional staff for taking accused persons to courts and giving evidence there, and all sorts of things, but these inconveniences we have got to put up with. It is not right that a person who detects the offence should also be invested with the power of punishing the offender. It may be said that some customs officers of a higher grade would deal with the accused persons and punish them. But that is not enough, because, whether it is a high officer of customs or whether it is a subordinate officer of customs, whoever it is, the fact remains that the customs officer is the investigating officer, and it is not right that he or his superior should be allowed to prosecute and punish them. Sir, I know that there are fairly large number of legal practitioners in this House and I appeal to them in the name of criminal law that they should not allow such a thing to be done. I beg to move my amendment.

**The Honourable Sir Basil Blackett** : Sir, I hope the House will not accept this amendment.

**Mr. V. J. Patel** : Not even this ?

**The Honourable Sir Basil Blackett** : As the House is aware, this matter was discussed in the Select Committee and the amendment was not accepted. There are very clear reasons for not accepting it. In the first place, what we are doing here is passing a Bill for the purpose of the collection of land customs on one or two very small frontiers of European settlements in India and in particular for dealing with the case of Burma. The amount that we do collect on land customs and the amount that we shall collect is a very very small proportion of the total amount that we collect under the head “ Customs ” generally. This provision that the fine in cases of this sort is decided by the executive customs officer applies to the whole of our customs duties as they are at present. That is to say, something over 40 crores of duty will remain in the condition that the decision will be taken by the customs officers, and if this amendment is accepted, in respect of a few lakhs of our customs duty there will be a different procedure, namely, conviction before a magistrate. This is a very small item in a very large customs revenue that we are dealing with here, and it is obviously not desirable to introduce quite a different and new procedure for the purpose of a very small part of the customs duty as a whole. If it is desirable to make any amendment,

[Sir Basil Blackett.]

the opportunity will arise when the Sea Customs Act comes under revision, which must be in a very short time—almost certainly next year. It will then be possible to deal on its merits with the very general question of the limits within which it is desirable to give the duty of deciding the penalty to an executive officer and whether it is desirable to bring in the judiciary. I would also urge on the merits that it is very undesirable in the case of these small fines, where the facts are nearly always perfectly clear, to complicate the procedure by reference to a court of law, which after all can only take the facts probably direct from the customs officer, and it will not make any serious difference to the decision in the case, whereas, if there is any kind of abuse of power by the customs officer, there is under the existing law full provision for appeal, and well defined limits as to the extent to which an individual officer may impose a penalty. There is a hierarchy laid down and only an officer higher up is allowed to levy a larger penalty. There is a final appeal to the Central Board of Revenue and to the Government of India, and there is the opportunity, in the very unlikely event of abuse, of a question in this House. I would, therefore, strongly urge the House to leave this Bill as it stands. It only follows the exact precedent already in existence, and if it desires, when the time comes, to take up the question of executive *versus* magisterial inquiry, to take that up on the Sea Customs Act, if necessary.

**Mr. M. A. Jinnah** (Bombay City : Muhammadan Urban) : May I request the Honourable Member to read out those sections which deal with the powers of the different grades of officers to inflict penalty and the section which gives the right of appeal ?

**The Honourable Sir Basil Blackett** : Section 182 of the Sea Customs Act says :

“ In every case (except the cases mentioned, which are not important here) in which, under this Act, anything is liable to confiscation or to increased rates of duty, or any person is liable to a penalty, such confiscation, increased rate of duty or penalty may be adjudged—

- (a) without limit, by a Deputy Commissioner or Deputy Collector of Customs, or a Customs-Collector ;
- (b) up to confiscation of goods not exceeding two hundred and fifty rupees in value, and imposition of penalty or increased duty not exceeding one hundred rupees, by an Assistant Commissioner or Assistant Collector of Customs ;
- (c) up to confiscation of goods not exceeding fifty rupees in value, and imposition of penalty or increased duty not exceeding ten rupees, by such other subordinate officers of Customs as the Chief Customs authority may, from time to time, empower in that behalf in virtue of their office :

Provided that the Chief Customs authority may, in the case of any officer performing the duties of a Customs-Collector, limit his powers to those indicated in clause (b) or in clause (c) of this section, and may confer on any officer, by name or in virtue of his office, the powers indicated in clauses (a), (b) or (c) of this section.”

Section 188 deals with appeal and runs :

“ Any person deeming himself aggrieved by any decision or order passed by an officer of Customs under this Act may, within three months from the date of such decision or order, appeal therefrom to the Chief Customs-authority, or, in such cases as the Governor General in Council directs, to any officer of Customs not inferior in rank to a Customs-Collector and empowered in that behalf by name or in virtue of his office by the Governor General in Council.

Such authority or officer may thereupon make such further inquiry and pass such order as he thinks fit, confirming, altering or annulling the decision or order appealed against :

Provided that no such order in appeal shall have the effect of subjecting any person to any greater confiscation, penalty or rate of duty than has been adjudged against him in the original decision or order.

Every order passed in appeal under this section shall, subject to the power of revision conferred by section 191, be final."

Section 191 reads :

"The Governor General in Council may, on the application of any person aggrieved by any decision or order passed under this Act by any officer of Customs or Chief Customs-authority, and from which no appeal lies, reverse or modify such decision or order."

**Mr. N. C. Kelkar :** Sir, I rise to support the amendment moved by my Honourable friend, Mr. Patel. He has of course given to this House the common-place maxim of criminal jurisprudence that there should be no punishment without a trial. Let us apply our mind for a moment to the character of the penalties involved in the operation of the Bill. There are three kinds of levies contemplated under the Bill, namely, the levy of increased duty, confiscation and punishment by fine. The first two are entirely left in the hands of the executive officers of the Customs Department, and should, I think, be quite sufficient both for prevention and redress—prevention because on suspicion they can detain the goods and subject them to examination and to the levy of duty if they are found to be liable to duty. And confiscation is of course a kind of redress. If goods are being smuggled, Government can get what they want by way of redress of the wrong in the particular case by seizure and confiscation of the goods.

**Mr. A. H. Llyod :** May I interrupt the Honourable Member and point out that Mr. Patel's amendment says that confiscation also shall be carried before a magistrate ?

**Mr. N. C. Kelkar :** I am developing my own argument. You may apply as much of it as you like to the amendment. The House will eventually draw the balance, I suppose.

Now, the third penalty stands on an entirely different footing, and that is, punishment. With regard to that I say there must be a judicial trial. It has been said that whereas customs officers usually levy lakhs and lakhs of rupees under the Customs Act, why should we scruple to give the customs officer the powers necessary in this small matter ?

My answer to that is that it is not a question of the amount ; it is the question of the character of the penalty which you levy as punishment and not as duty. Now, let us see whether the operations of the Sea Customs Act, which is taken as the basis for the Land Customs Bill, have got any special features in them which justify the differentiation of the treatment of penal provisions in that particular Act from the treatment of penal provisions contained in similar other Acts. And, therefore, as instances of similar Acts of penal provisions, I will give you, Sir, a few of them. Take the Forest Act. Similar operations are involved and contemplated therein. There is confiscation of particular property and eventually prosecution and fine. But what do we find under the Forest Act ? A forest officer, howsoever high he may be, is not entitled to adjudicate the penalty. He must send the offender to a criminal court. If he wants to punish the offender, he must send him to a magistrate. Then there is the Treasure Trove Act, section 20, which says :

"If the finder of any treasure does not.....he shall, on conviction before a magistrate, be punished with imprisonment for a term which may extend to one year, or with fine, or with both."

[Mr. N. C. Kelkar.]

Now, why should not a high officer of Government be given the power to confiscate the treasure trove and also inflict at the same time a heavy fine, realisable by the executive officer himself ? But that is not the case. Then I take the case of the Abkari Act of my own province. There you have also to do with contraband goods or goods upon which certain duties are leviable and an unlawful transaction in regard to such goods becomes an offence. What however do we find about the penalty ? It is not adjudicated by the executive officer but the offender has got to be regularly put up before a magistrate and punished. So is the case also with the Opium Act. Then, if in these parallel laws, we find that the executive officer is not entrusted with the power of trying the offender and punishing him off his own bat, why should the executive officer in this particular instance be invested with that power, with that special power ? Now, we are all quite content that the confiscation itself may be by the executive officer, but that power should meet the needs of the case. In the other Acts, even when magistrates are not specially mentioned,—of course I wish that to be mentioned also in the particular case here—it is presumed that the trial must be by a judicial tribunal. The mere absence of the words “ trial by a magistrate ” or “ on conviction by a magistrate ” does not obviate a trial by a magistrate ; and as an instance of that I will give you sections 61 and 62 of the Forest Act, in which there is no mention of a trial by a magistrate or conviction by a magistrate, but from the nature of the punishment, it is obviously presumed that the executive officer by himself cannot order the punishment. The punishment in that case is imprisonment or fine or both. When conviction by a magistrate is not explicitly mentioned in so many words, there is a provision in the Criminal Procedure Code, section 29, for procedure in those cases in which a special procedure is not stated in the penal clauses of particular Acts, other than the Penal Code. Section 82, no doubt, leaves adjudication of penalty to different grades of customs officers, and we are told that there is a kind of appeal from one officer to another ; but it is only an appeal from Caesar No. 1 to Caesar No. 2 and is in my opinion absolutely fruitless. Then, we are told that the present Sea Customs Act, on which the present Bill is based, does not contain a similar provision. My simple answer to that question is that two wrongs do not go to make one right. Nor am I going to be influenced by the assurance that the Sea Customs Act is going to be improved or redrafted next year. I do want to take time by the forelock, and as soon as a Bill of the present character comes before the House, I am entitled to ask the House to take the earliest opportunity to make the necessary amendments in it, if the House thinks that the amendments are proper ones. Now, look at the Sea Customs Act itself. It makes distinction between offences triable by executive officers and judicial officers. The Act does contemplate certain cases being sent to a magistrate and obtaining conviction at the hands of a magistrate. But mark what is the difference. All those provisions are intended for the protection of, at any rate they apply to, the cases of a particular class of persons and not the ordinary public. I will just mention a few. Section 23 applies to the pilot, section 26 to the master of a ship, section 74 to customs officers, 76 also applies to customs officers, section 77 applies to the police officers in the Customs Department. Now, there are two sections in this Schedule, namely, 72 and 80, which apply to ordinary persons, because the offences there are supposed to be of a graver character. If special mention of “ conviction by a magistrate ”

in these sub-sections is intended to give a kind of protection to the pilot, master and the customs officer, there is greater need of that protection for the common man. The customs officers are direct subordinates ; they are subordinates of the department itself. They can properly be punished even without going before a magistrate. If even these people are placed before a magistrate, the ordinary man who has absolutely nothing to do with the department must be sent to a magistrate and must be given a fair opportunity of a judicial trial. A reference was made to the proceedings of the Select Committee and my friend, Mr. Patel has broadly hinted, in fact, he even stated that the voting on this particular matter was lost by the vote of the Chairman of the Select Committee. Had it not been so expressly stated, I might not have referred to the proceedings of the Select Committee in this express manner. But I do it first because with regard to this point reference is made to the majority vote in the report itself of the Select Committees, and secondly, it has been expressly stated by Mr. Patel that the voting on this matter was lost by the vote of the Chairman of the Select Committee. There is also a further reason why I refer to it. On my last amendment a successful appeal was made by the Honourable Member to the legal acumen and the commonsense of lawyers. I challenge him now to make the same appeal in the matter of this amendment.

**Diwan Bahadur T. Rangachariar** (Madras City : Non-Muhammadan Urban) : Sir, there is a great deal of force in the principle which underlies this amendment and as we are asked to enact this piece of law, I do not think we should allow it to go without endorsing that principle. Now, I am concerned with sub-clause (c) of clause 7, which is the new clause introduced by the Select Committee. The first two clauses (a) and (b) relate to those cases where a man himself tries to pass and attempts to pass by land or conveys or attempts to convey by a route other than the route prescribed. But when you come to clause (c), on bare oral evidence without any goods even being there, a man may be convicted of having aided and abetted. The man may say that the goods were not there. But two witnesses may come forward and say that this man aided him to conceal the goods. The goods may not be found, but it may be said he has aided him successfully to conceal the goods. And on that statement the executive officer, without a judicial hearing, can convict the man of having aided and abetted and impose upon him a penalty to the extent of Rs. 1,000. A penalty is really a fine for having aided in breach of laws. What this clause contemplates is that certain laws are passed and when those laws are broken by citizens they are liable to penalty. What clause 7 creates is an offence and for that purpose punishment is provided for committing that offence. I do not know if a similar clause exists in the Sea Customs Act. (*The Honourable Sir Basil Blackett* ; "Yes.") If it does then it is high time that we repeal that provision of the Sea Customs Act which enables the executive officer to levy penalties for breach of laws. I quite agree with my friend Mr. Kelkar that confiscation of goods should certainly be within the province of the executive officer. They are the dutiable goods which are attempted to be passed. But in other cases where the matter may purely rest upon oral evidence, without being subjected to cross-examination, without any judicial procedure whatever, the executive officer should not take upon himself to find that my Honourable friend Mr. Jinnah aided and abetted my Honourable friend Mr. Rangaswami Iyengar in smuggling goods and convict him to a penalty of Rs. 50 or Rs. 1,000, as the case may

[Diwan Bahadur T. Rangachariar.]

be. I do not think any Legislature should tolerate such an enactment. I therefore support the amendment of Mr. Kelkar which provides only in the case of penalty and leaves the confiscation untouched, and I do not support Mr. Patel's amendment as it goes too far.

**Mr. President :** Amendment moved :

“ In clause 7, for all the words occurring after sub-clause (c), the following be substituted, namely :

‘ shall be liable on conviction by a Magistrate to a penalty not exceeding, when the goods are not dutiable, fifty or, where the goods or any of them are dutiable, one thousand rupees and the Magistrate may further direct in respect of dutiable goods that the same be confiscated ’.”

**Diwan Bahadur T. Rangachariar :** May I ask, Sir, that the amendment be put in separate parts. The first part of the amendment embraces Mr. Kelkar's amendment because he wants the Magistrate to intervene.

**Mr. N. C. Kelkar :** May I, Sir, formally move my amendment ?

**Mr. President :** The Honourable Member's amendment only refers to the imposition of a penalty.

**The Honourable Sir Basil Blackett :** I think it would be better if Mr. Patel withdraws his amendment and allows Mr. Kelkar to move his amendment.

**Mr. V. J. Patel :** Sir, I withdraw my amendment.

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

**Mr. President :** Further amendment moved :

“ That in clause 7, after the word ‘ shall ’ where it occurs for the first time insert the words ‘ on conviction by a Magistrate ’.”

**The Honourable Sir Basil Blackett :** This amendment, Sir, obviously has not the same objections to it—not at least in the same strength—as the previous amendment. At the same time, I regret that I must still on behalf of the Government oppose this amendment. I do so with regret in view of the fact that Mr. Patel has quite clearly been trying to make constructive proposals to assist us in the matter. But we are really in this matter dealing with a question of very considerable importance and we are dealing with it in a minor connection. If this amendment is passed, it will alter the law in relation, as I said, to a few lakhs that we collect by land customs and will not alter the law in connection with sea customs. And it will prejudice the more general question which is bound to come up in connection with the Sea Customs Act. The Government are perfectly conscious that in the Sea Customs Act, as it stands at present, there are a good many amendments that are desirable and should be made. One desideratum no doubt is that a very careful review should be made of the cases in which executive action is taken without an appeal to a magistrate, to see whether it should be allowed to a magistrate. But I would strongly suggest to the House that it should hesitate to pass this amendment. It is usually far better in the interests of the individual that he should be dealt with summarily on the spot and that a fine of a rupee or whatever it may be should be imposed there and then and the matter settled than that he and the customs officer should both have their time taken up in going to the court. Also, he is less in a

position to secure redress if the case has been dealt with by a magistrate than if he has the right of appeal which the existing Statutes give right up to the head of the Government. Those appeals—I will not say they are very frequent—are occurring from time to time and there are many cases in which the Government of India do modify or even allow a complete remission of a fine or a penalty imposed. If you include this clause “on conviction by a Magistrate”, obviously the position of the executive at the head is very much more difficult. So, I would suggest to the House that as this is a matter which the Government themselves desire to be examined and will have examined, the House, therefore, should not import the principle into this particular Bill at a point where it is not found in the corresponding Sea Customs Act. It will only affect a few lakhs and leave 40 crores untouched.

**Mr. M. A. Jinnah** (Bombay City : Muhammadan Urban) : I am very glad, Sir, that Mr. Patel thought fit to withdraw his amendment and did not make any grievance that his amendment was rejected by the vote of the Chairman of the Select Committee. In regard to Mr. Kelkar's amendment, Sir, I would like to say that it stands on a somewhat different footing. It has received some support from my Honourable friend Mr. Rangachariar, but I can appreciate his point. Mr. Kelkar's amendment does not confine itself to sub-clause (c). Mr. Rangachariar's point was that if a person is hauled up before a customs officer on a charge of aiding and abetting, to put it very shortly, the smuggling of dutiable goods, then, in that case, the executive officer, namely, the customs officer, would be entitled to deal with him. And if he found that that man was guilty of aiding and abetting, he would inflict a fine upon him, and that Mr. Rangachariar says is a thing that ought not to be allowed. I was saying that I fully appreciate that point. And if that was only to be remedied, then Mr. Kelkar's amendment must be confined to sub-clause (c), in the first instance. Sir, I entirely believe, and no man appreciates or believes more firmly in this principle, that no man's property or liberty should be touched without a judicial trial. And I shall be the last man to do anything in the least degree to undermine that principle which is so dear to everyone. We thought, as Sir Basil Blackett has put it in the Select Committee that, instead of trying to get a little bit here in this particular Bill, which, after all, is of a limited character, and as Government have given us the assurance that the whole question is going to be reconsidered under the Sea Customs Act in the very near future, it would be better for us to wait.

But I say that if this amendment were merely confined to clause 7, sub-clause (c), I would support it, but that is not the amendment.

**Mr. President** : The original question was :

“ That clause 7 stand part of the Bill.”

Since which an amendment has been moved :

“ That after the word ‘ shall ’, where it occurs for the first time, insert the words ‘ on conviction by a Magistrate ’.”

The question is that that amendment be made.

The Assembly divided :

## AYES—40.

Abdul Karim, Khwaja.  
 Abhyankar, Mr. M. V.  
 Acharya, Mr. M. K.  
 Aiyangar, Mr. C. Duraiswami.  
 Aiyangar, Mr. K. Rama.  
 Aney, Mr. M. S.  
 Badi-uz-Zaman, Maulvi.  
 Belvi, Mr. D. V.  
 Das, Mr. Nilakantha.  
 Duni Chand, Lala.  
 Dutt, Mr. Amar Nath.  
 Goswami, Mr. T. C.  
 Govind Das, Seth.  
 Gulab Singh, Sardar.  
 Hans Raj, Lala.  
 Iyengar, Mr. A. Rangaswami.  
 Kazim Ali, Shaikh-e-Chatgam Maulvi  
 Muhammad.  
 Kelkar, Mr. N. C.  
 Lohokare, Dr. K. G.  
 Malaviya, Pandit Krishna Kant.

Malaviya, Pandit Madan Mohan.  
 Mehta, Mr. Jamnadas M.  
 Mitra, Pandit Shambhu Dayal.  
 Misra, Pandit Harkaran Nath.  
 Naidu, Mr. M. C.  
 Nambiyar, Mr. K. K.  
 Narain Dass, Mr.  
 Nehru, Dr. Kishenlal.  
 Nehru, Pandit Motilal.  
 Nehru, Pandit Shamlal.  
 Patel, Mr. V. J.  
 Piyare Lal, Lala.  
 Rangachariar, Diwan Bahadur T.  
 Ray, Mr. Kumar Sankar.  
 Samiullah Khan, Mr. M.  
 Singh, Mr. Gaya Prasad.  
 Sinha, Kumar Ganganand.  
 Tok Kyi, Maung.  
 Venkatapatiraju, Mr. B.  
 Yusuf Imam, Mr. M.

## NOES—61.

Abdul Qaiyum, Nawab Sir Sahibzada.  
 Abul Kasem, Maulvi.  
 Ahmad Ali Khan, Mr.  
 Ahmed, Mr. K.  
 Ajah Khan, Captain.  
 Akram Husain, Prince A. M. M.  
 Alimuzzaman Chowdhry, Mr.  
 Bhole, Mr. J. W.  
 Blackett, The Honourable Sir Basil.  
 Bray, Mr. Denys.  
 Burdon, Mr. E.  
 Calvert, Mr. H.  
 Chalmers, Mr. T. A.  
 Chatterjee, The Honourable Mr. A. C.  
 Cooke, Mr. H. G.  
 Crawford, Colonel J. D.  
 Dalal, Sardar B. A.  
 Das, Mr. Bhubanananda.  
 Datta, Dr. S. K.  
 Duval, Mr. H. P.  
 Fleming, Mr. E. G.  
 Ghazanfar Ali Khan, Raja.  
 Ghose, Mr. S. C.  
 Ghulam Bari, Khan Bahadur.  
 Gidney, Lieut.-Colonel H. A. J.  
 Hezlett, Mr. J.  
 Hindley, Mr. C. D. M.  
 Hira Singh, Sardar Bahadur Captain.  
 Holme, Mr. H. E.  
 Hudson, Mr. W. F.  
 Hussanally, Khan Bahadur W. M.  
 Hyder, Dr. L. K.

Innes, The Honourable Sir Charles.  
 Jinnah, Mr. M. A.  
 Kasturbhai Lalbhai, Mr.  
 Lindsay, Mr. Darcy.  
 Lloyd, Mr. A. H.  
 Mahmood Schammad Sahib Bahadur, Mr.  
 Moncrieff Smith, Sir Henry.  
 Muddinan, The Honourable Sir  
 Alexander.  
 Nag, Mr. G. C.  
 Neogy, Mr. K. C.  
 Parsons, Mr. A. A. L.  
 Purshotamdas Thakurdas, Sir.  
 Ramachandra Rao, Diwan Bahadur M.  
 Rajan Bakhsh Shah, Khan Bahadur  
 Makhdum Syed.  
 Raj Narain, Rai Bahadur.  
 Reddi, Mr. K. Venkataramana.  
 Rushbrook-Williams, Prof. L. F.  
 Sams, Mr. H. A.  
 Sarda, Rai Sahib M. Harbilas.  
 Sastri, Diwan Bahadur C. V. Visvanatha.  
 Setalvad, Sir Chimanlal.  
 Shams-uz-Zoha, Khan Bahadur M.  
 Singh, Rai Bahadur S. N.  
 Sykes, Mr. E. F.  
 Tonkinson, Mr. H.  
 Tottenham, Mr. G. R. F.  
 Webb, Mr. M.  
 Willson, Mr. W. S. J.  
 Wilson, Mr. R. A.

The motion was negatived.

**Khan Bahadur Sarfaraz Hussain Khan :** Sir, the amendment that stands in my name reads as follows :

“ In clause 7, for the words ‘ where the goods are not dutiable, fifty or, where the goods or any of them are dutiable, one thousand rupees and any ’ the following be substituted, namely :

‘ One hundred rupees where dutiable goods are mixed with goods which are not dutiable and the portion of the ’.”



My object is that the dutiable goods will be confiscated and for non-dutiable goods there shall be no penalty.

That is my only object, and if the Honourable Member in charge will satisfy me on the point, I will not press my amendment.

**Mr. A. H. Lloyd :** Sir, I am afraid I cannot give the Honourable Member the assurance which he asks for for the simple reason that if his amendment were carried, every smuggler would find it the simplest thing in the world to put one tabloid of quinine into a case full of matches, and because the goods became mixed in consequence, therefore the maximum penalty would be reduced from Rs. 1,000 to Rs. 100. I would just like to make one more point. Section 21 of the Sea Customs Act is one of the sections which we hope is to be extended by the Schedule to this Bill, and that section provides that :

“ goods whereof any article liable to duty under this Act forms a part or ingredient shall be chargeable with the full duty which would be payable on such goods if they were entirely composed of such article.”

That deals with genuinely mixed goods, and for that reason also I must oppose the amendment.

**Mr. President :** The question is that that amendment be made.

The motion was negatived.

Clauses 7, 8, 9, 10 and the Schedule were added to the Bill.

The Title, Preamble, and clause 1 were added to the Bill.

**The Honourable Sir Basil Blackett :** I move, Sir, that the Bill be passed.

**Mr. President :** The question is that the Bill, as amended by the Select Committee, be passed.

The motion was adopted.

The Assembly then adjourned for Lunch till Three of the Clock.

The Assembly re-assembled after Lunch at Three of the Clock, Mr. President in the Chair.

### THE INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.

**Mr. J. W. Bhore** (Secretary, Department of Education, Health and Lands) : Sir, I understand that many Muhammadan gentlemen, Members of this House, desire further opportunity to satisfy themselves in regard to certain important questions connected with this Bill. In deference to their desire, I do not propose to move my motion\* to-day.

### THE PROVIDENT FUNDS BILL.

**The Honourable Sir Alexander Muddiman** (Home Member) : Sir, I beg to move :

“ That the Bill to amend and consolidate the law relating to Government and other Provident Funds, as passed by the Council of State, be taken into consideration.”

Sir, this Bill is a consolidating and amending Bill, but the scope of the original law is not altered. I should like, in the first place, to make

\* “ That the Report of the Select Committee on the Bill to amend the Indian Merchant Shipping Act, 1923, for certain purposes, be taken into consideration.”

[Sir Alexander Muddiman.]

it perfectly clear to the House what the scope of this Bill is. It deals with three classes of Provident Fund and the three classes of Provident Fund only. It deals with Government Provident Funds ; it deals with Railway Provident Funds, and if Honourable Members will look at the Bill they will see that clause 8 of the Bill enable Funds of local bodies to be dealt with under the Act. Therefore there are these three classes of Funds only. I would call the attention of the House to the fact that in each case the Bill deals with Funds constituted by employers and relates to employees. A further point which indicates the scope of the Bill is the fact that the employer in each case is a public or semi-public body—Government, Railway or a local authority. I have endeavoured to make that clear because I see there is an amendment on the paper which appears to me to show that in one point at least the scope of the Bill has been misunderstood.

Now I need not detain the House at any great length on the actual provisions of the Bill because they very largely reproduce the existing law ; but there are certain amendments to which I must invite the attention of the House. In the first place, the law as it stands gives special protection to the widow and children of persons who are subscribers to or depositors in Provident Funds. The Bill now before the House widens the scope of that protection. It includes in that protection dependants. If Honourable Members will refer to the definition in clause 2 (c), they will see who are included in the term “ dependants ”. They are very much the same persons as are specified in the Workmen’s Compensation Act. I think this provision will probably commend itself to all sections of the House. They include persons who may be just as dependent on the subscriber to the Provident Fund as the wife and children of the original law. I might draw the attention of the House to the fact that in extending the protection we save any existing rights subject to that the “ dependants ” will benefit in the same way as the wife and children did under the old law, and the sums payable to them will vest in them and not be included in the estate of the deceased depositor. That, Sir, is the first amendment of substance.

The second point in the Bill is that it makes it clear that in respect of compulsory deposits, the depositor or his dependants or nominees, as the case may be, shall receive intact the accumulation at the credit of the depositor or subscriber to the fund. That statement is the general statement. It is subject, however, to certain exceptions. Naturally we do not make the Bill retrospective in this respect. We save any rights of third parties which have accrued before the Bill comes into operation. We also have a saving in connection with the power to make deductions which is conferred by clause 6 of the Bill. To that clause I will draw the specific attention of the House later on.

The next amendment made by the Bill is this. Under the existing law the deposits or subscriptions can be paid by the disbursing authority without the production of letters of probate or administration or a succession certificate up to the value of Rs. 2,000. We propose to raise that limit to Rs. 5,000. We feel that it is desirable that persons who are likely to benefit by these Provident Funds are often probably in straitened circumstances and should be able to receive the benefits of the Fund with as little red-tape and formality as is compatible with

safety. And we think by raising this limit up to Rs. 5,000 we shall risk nothing to the State and confer a distinct benefit upon the beneficiaries who *ex hypothesi* will be persons in need of prompt payment.

The fourth point in the Bill is that contained in clause 5 which deals with the right of nominees. We have now made clear the position as to the right of nominees. Once a nomination has been made by a depositor, it cannot be changed except by another nomination made in like manner and cannot be affected by any other disposition whether testamentary or otherwise. The depositor, if he wishes to do so, must change his nomination. Now the object of that is merely to simplify payments and to prevent as far as possible the possibility of dispute.

I now turn to clause 6. It is in respect of this clause that this is the only amendment on the paper which shows any opposition to any of the clauses of this Bill. Now let me invite the attention of the House, in the first place, to what are the deductions that may be made under clause 6. First of all, deduction is only in respect of those contributions which have been made by the employer. The clause deals with contributory funds and it deals with those amounts which the employer has put into the fund. Anything that the subscriber or depositor has put into the fund is not touched. In the first place, this clause enables deductions to be made in respect of liability incurred to the authority in charge of the fund. Now the liability of course must be a legal liability. If it is not a legal liability it is not a liability at all. If therefore the authority deducts a sum which is not due, that is not a liability and is an illegal deduction. Therefore I do not think it will be necessary to make any provision for that. The second point is that the same portion of the fund—that is, the portion contributed by the authority—may be withheld in case of dismissal. Now I must invite the House to regard these contributions by the employer as something in the nature of a pension, as a substitute for a pension. Now, if a man is dismissed he will not normally have any right to a pension. In this case all the employer does is to get back what he has put into the fund. What the man put into the fund is not touched. I wish to make that point clear.

**Mr. Chaman Lall** (West Punjab : Non-Muhammadan) : I do not want to interrupt the Honourable Member, but may I ask whether that is made quite clear in the Bill itself ?

**The Honourable Sir Alexander Muddiman** : If the Honourable Member had listened to me, he would have seen that I was referring to clause 6.

**Mr. Chaman Lall** : Is there any particular wording here which makes it perfectly clear that it is only that class of contribution that is affected ?

**The Honourable Sir Alexander Muddiman** : I think so ; if the Honourable Member will refer to clause 6 coupled with the definition of contribution in clause 2 (b) of the Bill, I think he will see that that is so.

Then, Sir, what else does this clause permit to be done ? I have referred to the question of dismissal ; I now come to the question of resignation. Clause 6 says that where a man resigns within five years of the commencement of his employment the contribution of the employer may be paid to the employer ; in other words, it does not provide for a pension or gratuity within five years. If you take any normal pension system you will not find that a man earns pension within five years ; so this does not seem to me to be an unreasonable provision. I emphasise again that it has to be remembered that what the man puts into the fund he gets back.

[Sir Alexander Muddiman.]

Now, Sir, I observe that there is on the paper a motion that this Bill should be referred to a Select Committee. The House is well aware that I am not one of those who are at all in favour of hasty legislation. On the other hand, I think when there is a motion on the paper for reference to Select Committee there should also be on the paper a sufficient number of amendments to raise a *prima facie* case for such a course. In this case there are very few amendments on the paper. One class of amendments is entirely outside the scope of the Bill and as regards the other class they merely affect clause 6. I therefore do hope that the House will not press the motion for reference to Select Committee in this case, but will decide the very small point outstanding by discussion on the clause. This is a Bill which, whatever evil things may proceed from the Home Department, is purely beneficent. On this occasion I am moving for the benefit of the poor and for the benefit of those who are connected with Provident Funds. Sir, I make the motion that stands in my name.

**Mr. President :** The amendment standing in the name of Mr. Rama Aiyangar is out of order, as it is outside the scope of the Bill as presented. The question is that this Bill be taken into consideration.

**Dr. K. G. Lohokare** (Bombay Central Division : Non-Muhammadan Rural) : Sir, I take this opportunity of first congratulating the Honourable the Home Member on such portions of the Bill as are really in advance of the former provisions. I must say, however, that it is not all unmixed milk and I am sorry that I have to solicit his attention to that portion of it. I speak with particular reference to clause 6, which improves upon the provisions of section 4 (2) of the Provident Funds Act, 1897 ; that section provided that any sum standing to the credit of any subscriber to or depositor in any such fund at the time of his decease is payable under the rules of the Fund or this Act to the widow or children free from any debt or any liability incurred by the deceased or incurred by the widow or by the children or by any one or more of them before the death of such subscriber or depositor. This is the section which was in force then. The new clause does not contemplate such a contingency. The employer with his usual usurious methods is given the power to take away whatever he likes from at least a portion of the fund. I have in my amendment defined the method by which the employer is entitled to draw upon the contributions given by the employee. Clause 7 says :

“ No suit or other legal proceeding shall lie against any person in respect of anything which is in good faith done or intended to be done under this Act.”

I think this deprives the employee of the right to get satisfaction as regards any liability. The Honourable the Home Member has just said that the liability is legal liability ; but I doubt whether clause 7 will make it a legal liability. It therefore remains open to doubt and I do not want to allow any loophole in this case. I hope therefore that the Honourable the Home Member will at least take this amendment into consideration in order that his own intentions may be carried out.

Now, Sir, the word “ liability ” itself has many meanings. It may be pecuniary liability ; it may be liability which might arise out of the responsibility of the duties of an employee.

**Mr. President :** Before I allow the Honourable Member to proceed, I must tell him that he is really discussing his own amendment to clause 6. I think he had better wait and allow the motion for taking the Bill into

consideration to be carried ; and when we come to clause 6 he can raise those points in their proper place. The question is that the Bill be taken into consideration.

The motion was adopted.

Clauses 2, 3, 4 and 5 were added to the Bill.

**Dr. K. G. Lohokare :** I beg to proceed with the argument that I was just developing, Sir. The word "liability" may have different meanings.....

**Mr. President :** Does the Honourable Member move his amendment to clause 6 ?

**Dr. K. G. Lohokare :** Yes, Sir, I formally move the amendment :

"That in clause 6, to sub-clause (a), the following proviso be added :

'Provided that the liability is proved by a competent court of law'."

I shall give an illustration. If a goods clerk or loading foreman or marker commits a mistake in numbering bags, the bags may be transmitted to an unknown destination and may perhaps be lost on that account. Somebody else might take away the bags. The mistake of this foreman in numbering the bags entails a liability in which he is concerned. Consequently, the employer may say that the cost of the bags is a liability incurred by the employee. And in this case, even when the real culprit is somebody else, without even a judicial hearing, it is probable that out of the proceeds of the Provident Fund money may be deducted which to an old man in long service would be far more valuable than what the power in the clause would contemplate. Consider, Sir, the case of a man of long service, to whom administrative punishment in the form of dismissal is far greater in such cases. We might consider the term "liability" in other circumstances too. If it is only an administrative fine at the time of dismissal or at the time of resignation I do accept that the administration must have full authority to realise that fine, but in this case, Sir, generally the man's pay is in arrears. A few days' pay at least is in arrears. In Railway concerns at least a man is paid on the 20th of the month following that in which it is due, and in such cases generally the employer has not less than 20 days' pay in his own pockets. If it is an administrative fine for a mistake, it might be a fine of a couple of rupees or ten rupees or fifteen rupees, and that is automatically provided for by the arrangement of payments to be made. But the clause is something more than that. It means for the man something which is substantial and it is therefore desirable that such cases should have a proper hearing at least. I therefore define the word "liability" in this way and then put it down "provided that the liability is proved by a competent court of law". That is my first amendment, Sir.

**The Honourable Sir Alexander Muddiman :** Sir, I really dealt with this point in my opening speech. The liability must be pecuniary liability ; the sort of thing which would happen if a man has been over-paid or if he owed the employer rent. We ourselves I think in the Civil Service, before we are allowed to take our pension, have to get a clean certificate, that is, a discharge implying that we do not owe Government anything or that we have not taken away an inkpot. I suggest to the Honourable Member that his amendment really is not necessary. If anything is deducted which is illegal then it will not be recoverable. Also, I notice he has another amendment which really does arise under this.

[Sir Alexander Muddiman.]

He proposes to insert the words " except as provided in section 6 (a) " in clause 7. There again, I assure him that it is really not in the least necessary. Clause 7 saves people who do things under the Bill, that is, it saves the paying officer. It does not save the person who receives money—it is the disbursing authority it saves. I really think the Honourable Member's anxiety on this point is quite unnecessary.

**Mr. N. M. Joshi** (Nominated : Labour Interests) : Sir, I rise to support the amendment moved by my friend, Dr. Lohokare. But I want to make it clear that, although I am supporting his amendment, I am opposed to the whole clause. In the first place, I am opposed to the principle of any employer having the power of making any deductions from any amount of money due to an employee. Sir, the Honourable the Home Member, while making his speech on the proposal for the consideration of this Bill, said that these deductions are to be made only from the contribution which the employer puts into the provident fund and therefore the employee has not got much complaint to make. I do not agree with this principle at all. I believe, Sir, either the pension or the contribution by the employer to any provident fund is a part of the salary earned by the employee for the services rendered. It is not a favour conferred by the employer upon the employee but it is a part of his salary which he has earned by his work. Therefore, the employer has no right to deduct anything from that part of the pension fund or of the provident fund. This principle, namely, that the pension or the contributions to the provident fund is for services already rendered will be approved by many people. I remember, Sir, discussions in the press as well as elsewhere on this question when there were proposals for stopping the pensions of General Dyer and Sir Michael O'Dwyer, and I have read in the newspapers people saying on behalf of Sir Michael O'Dwyer and General Dyer that we cannot take away their pensions because they had a right to get their pension. A pension has been given to an employee for services already rendered and no employer has a right to take it away from him. I therefore feel that it is not right for any employer, whether that employer be the Government or a Railway, to take anything from what his employee has already earned, and I maintain that the contribution by an employer to a provident fund is a part of his salary. It is only a deferred payment of his salary. The salary was due to him ; but payment was not made. It is a deferred payment of his salary. Therefore, Government or the Railway Companies have no right to deduct anything from that part of the provident fund which the Railway or the Government contribute. When Government put something in the provident fund on behalf of their employee, that money has been paid to him and therefore they cannot take it back. Moreover, Sir, I am opposed to the principle of employers making any deductions from the employees,—whether it be a fine imposed upon them by the employers which may be the Government or the Railway Companies. Sir, in England the Government had to legislate in order to regulate the right of the employers to deduct fines from the salaries of the employees or from the wages of the employees. This legislation is known as the Truck Acts. Now Government may say they are immune from such legislation. But I do not know why Government or the Railway Companies should be immune from such legislation. Moreover, Sir, Government also have accepted in this country that certain deductions should not be allowed to be made from the salaries of at least low-paid servants. We have ourselves got legislation here that those people whose salaries

are less than Rs. 80 or so—I do not know the exact sum just now—no deductions shall be made from the monthly wages of such employees. I therefore do not know why Government should introduce this clause in this Bill at all. Moreover, this clause is newly introduced by Government. It was not found necessary for so many years and I do not know what necessity Government feel to-day for introducing this legislation. Government have shown no reasons. They have shown no circumstances which have compelled them to introduce new clauses. I therefore want to support this amendment, making it clear that, although I am supporting this amendment, I reserve to myself the right of opposing this whole clause.

**Mr. C. D. M. Hindley** (Chief Commissioner, Railways) : Sir, I am afraid I am not able to go hand in hand with Mr. Joshi in the enunciation of the great principle that he has referred to. I am willing to go a good deal of the way with him and I am very strongly in favour of a large measure of immunity from any depredations by outside authorities on these contributions paid by the employer to the employé in respect of his service. At the same time I do not think Mr. Joshi can expect us to accept the position that having a legal debt owing to us, we ought to be prohibited from collecting it at the time of disbursement.

**Mr. N. M. Joshi** : May I ask one question, Sir ? Will a private creditor be allowed to take his money from these contributions ?

**Mr. C. D. M. Hindley** : I am not a lawyer. I am talking about the general position and I want to make the position as I see it clear from the practical point of view. I may claim to have a little experience in this matter, having been a manager of one of the largest Provident Funds in India for a period of about five years. I therefore came into very close contact with the whole method of disbursements and the claims of employés in regard to Provident Funds. One of the things which impressed me at that time, and which has impressed the Government was the complaints that we received from the men about delays in getting their payments. Now, a great deal of the legislation which is embodied in this Bill is designed towards facilitating payments to the men of their money. The burden of the work of dealing with these claims and disbursements is a very large one in respect of the smaller paid employés. The larger amounts are much easier to deal with. They are clear cut. But there are a very large number of men retiring constantly and drawing their provident fund money and it is of the utmost importance, as I am quite certain Mr. Joshi will agree, that they should be paid promptly and without difficulty. Now, in ordinary practice, the deductions which are made at the time of disbursements are such as the employé himself would readily recognise as his liability. They are simple matters....

**Mr. N. M. Joshi** : If he recognises, he will pay it himself.

**Mr. C. D. M. Hindley** : May I go on without interruption, Sir ? They are such as the employé himself would ordinarily recognise to be an obligation. I refer to such matters, for instance, as rent,—where he pays rent for his quarters and where the rent has not actually been paid,—or where he has been supplied with uniform on payment and payment is due from him, and matters of that sort. Will Mr. Joshi say that the employer has no right whatever to take money which is due to him in respect of goods supplied ? Those are the things, Sir, which will come to be deducted at the time of disbursement. I again say that I am afraid I am not

[Mr. C. D. M. Hindley.]

competent to speak on the legal aspect of this matter, but I am, I hold, competent to speak on the practical effect on the payments to the employé. Mr. Joshi is quite rightly and honestly endeavouring to protect the employés from unjust deductions by the employer. I say that it is much more important, having regard to the fact that the employer must act in a legal manner under the provisions of this Bill, to remove the causes of delay in payments at the time of payment, when that payment becomes due. If it is necessary for the employer to take the case into court and get an order of the court for every deduction that has to be made, I think Mr. Joshi will see at once that there is likely to be very serious delays in payments. I understand that the right of the employé himself to sue in the case of illegal deduction is perfectly clear and is not altered in any way by this Bill. I therefore, in the interests of the employés—these interests, Sir, are as much mine as Mr. Joshi's—would ask the House to reject this amendment.

**Mr. Chaman Lall** (West Punjab : Non-Muhammadan) : Sir, I think the point that Mr. Joshi made perfectly clear has not been met by the Honourable Mr. Hindley. The point is a very simple one, namely, the right of an employer to deduct his portion of the Provident Fund from the fund deposited with him by the employé. The point that Mr. Hindley was discussing was this, whether an employer has any right whatsoever to obtain his rightful dues from an employé in the shape of rent or goods supplied or things of that description. That is not covered by sub-section (b) of clause 6. We are discussing sub-section (b) of clause 6. We desire,—and I hope the Honourable the Home Member will accede to the request of this Assembly—that this particular clause should be deleted from this Bill. Otherwise, it is a very good Bill. I am certain that every Member of this House will congratulate the Honourable Member on his Bill. What we want to make perfectly clear is this, that a provident fund contribution is paid to an employé as a result of services rendered to the employer. Further, it is usual when an employé is engaged in these circumstances that he is not given the average market rate of wages, so that this provident fund contribution by the employer to the employé is in the shape of wages deferred. I see no reason in these circumstances why this particular portion of the Provident Fund should be deducted whether in the case of dismissal or resignation of the employé. We have known examples—numerous examples during the last four years....

**Mr. C. D. M. Hindley** : May I rise to a point of order, Sir ? The Honourable gentleman seems to be referring to deductions in the case of dismissals. That is not under discussion at the moment, I understand.

**Mr. President** : Is the Honourable Member referring to sub-section (b) of clause 6 ?

**Mr. Chaman Lall** : I am, Sir.

**Mr. President** : The amendment moved is to sub-section (a).

The original question was :

“ That clause 6 stand part of the Bill.”

Since which an amendment has been moved :

“ In clause 6, to sub-clause (a), the following proviso be added :

‘ Provided that the liability is proved by a competent court of law ’.”

The question is that that amendment be made.

The motion was negatived.



**Dr. K. G. Lohokare :** Sir, I beg to move :

"In sub-clause (b) of clause 6, omit the following words :

'where the subscriber or depositor has been dismissed from the employment of that authority, or'."

Sir, this amendment is not so light as the last amendment. I request herein that a case of dismissal should be excluded from this clause. I beg to point out, Sir, the various causes for dismissal. The first is a very wide thing, namely, misconduct, which can be expressed to cover anything that the employer may choose. If a superior officer is dissatisfied with the work of a man, he is free to dismiss him under many circumstances. In such cases, dismissal of the man, especially of a man with long service, is more than sufficient punishment to the employee. In addition to it, this clause gives power to the employer to deprive him of a certain amount, with which he might meet his rainy days. In case where a misconduct may be in the eyes of an officer a thing sufficient to be punished with dismissal, it may not be in the eyes of many misconduct sufficient to deprive him of the benefits of the provident fund, particularly in the case of persons who have put in long service. The second is much more in the case of Railways, small accidents, minor accidents, in which case the man is dismissed for the sake of discipline. In these cases, Sir, if it is provided for by law that the man will lose at least half of his provident fund, it is more than a misery to his further life. First he loses his employment and then the poor man misses whatever he has expected to lay by for his rainy days. The pay of the Indian subordinate in the Railways is not sufficient to keep his body and soul together, for his wife and children and his dependants. I have seen that many railway employees, many subordinate railway employees, can scarcely afford to give their children a high school education. No wonder, then, that they cannot lay by anything for their children. If, under these circumstances, a man after a long service in addition to being dismissed is to be deprived of a certain amount which the poor man expects would be useful in his rainy days, I think the punishment is more than he deserves. Thirdly, in these days, the railway management, allow me to submit, Sir, are very unsympathetic. We here ask so many questions regarding railway employees and the replies are "we do not interfere in the management". What are these offences? Working for the union, Sir. Only for the offence of attending a meeting of the union or some such thing, a man is dismissed and his provident fund forfeited. I particularly draw the attention of this House to these facts in these days of unsympathetic railway management towards the poor subordinates and invoke the sympathy of this House on behalf of these poor employees. The next offence that a man might commit is attending a political meeting. We have so many times in this House received answers that no appeal would lie with anybody in these matters. The superior officer who dismisses the man would deprive him of his provident fund and thus starve him, his wife and children leaving all of them to die for want of food. These are the causes particularly which make us sympathise with the poor employees, the Indian employees. Allow me to submit that in the present condition of sweating of these labourers, if a provision like this is added, if a power like this is given in the hands of railway managers, it would do nothing else than making the conditions worse for the poor Indian subordinates. Displeasure at the slightest cause and pretext of the officers is a sufficient cause for dismissal in many of the railways. Let me cite the case of the strike of 1897. Even if some employees were taken back,

[Dr. K. G. Lohokare.]

others were asked to go away and their provident funds were forfeited, simply for the fault that they joined the strike in order to get their grievances redressed, in order to make their pinch of poverty felt a little bit. The poor people starve on account of the low payment, and other worries such as demanding medical certificate for even two days' leave, particularly so in the case of over-worked railway servants. I have experience as a practitioner of long standing in which even for three days' illness, a man has to produce a medical certificate, for which he must be under treatment actually and pay. His wages generally are 10 to 15 annas or at the most a rupee to rupee and a half. That man has to pay 6 to 7 annas for medicine ; or he should spend for a conveyance as he is ill and daily go to the railway dispensary for even two days' leave. If he overstays the leave even by one day, he is dismissed and his provident fund is forfeited. Let me draw the particular attention of my Honourable Colleagues to the powers, new powers, desired to be secured in the case of the provident fund, which is the savings of the poor man for meeting his rainy days. I would invoke the sympathy of my Colleagues and especially ask their favour to support my amendment for deleting this clause, which is not so light as the former one.

**Mr. N. M. Joshi :** I do not wish to repeat the arguments which I had used in supporting the first amendment. I shall only confine myself to the question of dismissal in railways. Dismissal of an employee, especially a subordinate employee and particularly if he happens to be an Indian, is the easiest thing to do. If someone joins a union, he will be dismissed.

**Mr. C. D. M. Hindley :** Sir, I would like to contradict that statement definitely.

**Mr. N. M. Joshi :** Sir, it is my opinion.

**Mr. C. D. M. Hindley :** It is not a fact.

**Mr. N. M. Joshi :** And we may differ even there.

**Mr. C. D. M. Hindley :** I was talking about facts.

**Mr. N. M. Joshi :** You say you are talking of facts ; I am also talking of facts as to whether men were dismissed for joining a union or not. I say they were dismissed for joining the union. You say they were dismissed for some other reason, known to you. I know, Sir, that nobody is dismissed generally for joining a union apparently, but there are many cases of men having been dismissed, the only reason for the dismissal being that they were prominent members of unions. Men are dismissed simply because the superior officer is displeased with them. No doubt there is a right of appeal. If a man is dismissed by the District Traffic Superintendent, there is a right of appeal to the Railway Agent. But, Sir, the General Traffic Manager has got confidence in the District Traffic Superintendent. If an appeal comes to the Railway Board, this morning I was told that the Railway Board has got the fullest confidence in the judgment of the Railway Agent. This is the experience of the people who have something to do with this question. Many cases come to the Members of this Assembly, cases where real injustice has been done. But the Railway Board and the Railway Agents refuse to interfere with the dismissals of men. Under these circumstances, is it right that we should give power to the railway authorities to take away something

which a man has earned by his hard labour? I again maintain that the contribution paid by the Railway Board towards the Provident Fund of an employee is a part of his salary earned by him, the payment of which was only deferred for some time. I therefore strongly support the amendment and I hope the House also will support it.

**Dr. L. K. Hyder** (Agra Division : Muhammadan Rural) : I do not like, Sir, the look of the whole of this sub-clause (b) of clause 6. I will state briefly the points that have struck my attention on reading this clause. (*Honourable Members* : "Louder please, we cannot hear"). The first part, I think, is rather hard. The second part places, I think, an undue restraint on the industrial mobility of labour. I will give you an instance why I object to the whole of this section.

**The Honourable Sir Alexander Muddiman** (Home Member) : May I know, Sir, whether the amendment is under discussion or the whole clause?

**Mr. President** : I wanted to see how the Honourable Member was going to proceed. We are now discussing whether, in case of the dismissal of an employee, the authorities shall be entitled to deduct the whole or any part of his contribution.

**Dr. L. K. Hyder** : I will confine my remarks strictly to the amendment moved by Dr. Lohokare. I feel, Sir, that this dismissal is rather a serious matter and I do not see why an employee should be deprived of the benefits of a particular Provident Fund. I will give you an instance. In England the working classes have always objected to the schemes initiated by the employers as regards bonus funds. They do not like them because they think that these bonus funds place an undue restraint on the industrial freedom of the employee. For that reason, Sir, I give my support to Dr. Lohokare's amendment.

**Mr. H. G. Cocke** (Bombay : European) : Sir, the moving oration from the Honourable Member behind me did not move me at all because his remarks seemed to me to be entirely based on a wrong hypothesis. Nobody says that the employee *shall* be deprived of his employer's contribution in the event of his dismissal. Clause 6 distinctly says "may". It is obvious that the employing authority must have the power, in the event of dismissal, to forfeit his contribution. It will not always be exercised because, as I have said, the clause says "may be deducted" and not that it "shall be deducted".

**Diwan Bahadur T. Rangachariar** (Madras City : Non-Muhammadan Urban) : It appears to me, Sir, that my Honourable friend who has moved this amendment and those who have supported him are pursuing the wrong remedy. We are now legislating; we are not passing Resolutions. Take the case of a man who is dismissed and who has, during the course of his service, been fraudulently misappropriating large sums of money. He is dismissed for that reason and no money is recoverable from him. Now, he has not only done us the injury of robbing us of our money but he is to get a handsome bonus for having defrauded us. There are dismissals and dismissals. I quite sympathise with my Honourable friends who complain of wrongful dismissals. The cases that they have in mind are the cases where the authorities abuse their power of dismissal. But in cases where they lawfully dismiss a subordinate, certainly no reasonable man can ask the Government to pay him his Provident Fund also, although he has

[Diwan Bahadur T. Rangachariar.]

committed a grievous wrong. The remedy for such cases is to amend the law of master and servant and to provide proper safeguards against improper dismissals and not to interfere with this law which assumes that there are proper dismissals. If a man is dismissed for good cause, then surely there is no reason why he should be given this bonus. I also see, Sir, another illogicality in my Honourable friend's motion. Why does he omit the cases of resignations. Just as you are dismissed for the whims and fancies of the employer, similarly you may be compelled to resign, otherwise your life will be made very uncomfortable by your master, or you may be compelled to resign on account of the unbearable conduct of your master. In that case my Honourable friend allows deduction, but he does not allow the deduction in the case of dismissals. So, I say, Sir, that the amendment is illogical and unreasonable, and therefore I oppose it.

**Mr. M. K. Acharya** (South Arcot *cum* Chingleput : Non-Muhamadan Rural) : I rise, Sir, to support the amendment and I am sorry I am not at all convinced by the arguments put forward by my learned friend Mr. Rangachariar. Here, as has been pointed out, we are dealing with cases of employees who have put in more than 5 years of service. If a man resigns within 5 years, he must necessarily be fairly young in life and will have plenty of opportunities to get other employment. We are now concerned only with cases where a man has put in service for a number of years and then he is dismissed. Both the Mover and the Seconder of the amendment have very rightly drawn the attention of the House to the many cases where, especially in the railways, people have been dismissed for, what may be called, very flimsy excuses. Mr. Rangachariar asks what should be done for a man who has been rightly dismissed and owes anything to the employer. I say that in the case of a man who is rightly dismissed the ordinary law will enable the Government or the employer to take an action against that man. If he owes anything to anybody, it can be paid out of his property and if he has no property, his Provident Fund can be attached. We are here concerned more to safeguard the interests of those who are wrongfully dismissed than of those who are rightly dismissed. We have recently drawn the attention of this House and of the Railway Board to one or two cases which occurred on the Oudh and Rohilkhand Railway where men, after 20 years, 23 years and so on, have been sent away on the plea that the Agent has been satisfied that the men have not been behaving properly. It was found very difficult in such cases even to have a show of sympathetic consideration at the hands of the higher authorities. Are such men to be deprived, after putting in 20 years of service or more, of their contributions which they had earned for their families and children and for the ordinary comforts of life ? That is the whole question. It looks to me, therefore, that we are giving the employer a double power. The dismissal is one power. In the majority of cases, especially in the railways, this power is quite bad enough. There have been specific cases, as my friend Mr. Joshi pointed out, where men have been dismissed for attending political meetings or joining unions or things of that kind. In such cases the employers have always said that the conduct of these men was not very satisfactory. Therefore, I appeal to this House, to safeguard the interests of the employees against the highhanded ways in which they are dealt with by their employers.

There are hundreds of such cases which turn up and this House will be failing in its duty if it does not safeguard the life-prospects of these old men. I therefore strongly protest against a double punishment in these cases of dismissal, for in 99 per cent. of cases these dismissals are wrongful. These men should be allowed to go and spend the last days of their lives in animal peace and comfort.

**Mr. C. D. M. Hindley :** I quite agree with Mr. Acharya that there is nothing more pathetic and which moves us to greater sympathy than the case of an employee, who, after many years of service, falls unfortunately into misconduct and has to be dismissed. This is one of the most pathetic things that I know of, connected with railway service. I only wish very shortly to point out, as the Honourable the Deputy President has pointed out to the House, that there are two cases involved, namely, rightful and wrongful dismissal. In the case of wrongful dismissal, a man has his remedy in the courts. If certain members of this House are perfectly satisfied that there are 99 per cent. of cases of wrongful dismissal, I would ask, why these men do not take their cases to the courts and prove them ? What we have to do here is to see that the punishment of dismissal is a condign punishment. The Honourable Dr. Lohokare talked about men being dismissed for petty accidents. I do not believe there are cases in which men have been dismissed for petty accidents. But supposing there have been such cases. If a man is not dismissed, when he is responsible, for a petty accident, if he is not condignly punished for such an offence, what is there to prevent him from causing a very much more serious accident by the very same act ? The very deplorable accident that occurred a short time back might have occurred through a simple act, which in ordinary circumstances might have only caused a slight accident. In the interests of the travelling public the case of a man who causes slight accidents, has to be considered most seriously. It shows a tendency which might cause very much more serious accidents. It is necessary to inflict a proper punishment in order to protect the lives of the public. This provision for taking away or refusing to allow the contributions of the employer in case of dismissal for misconduct is a provision which occurs in every public service. This is not an exception in the case of Railways and is nothing new. It has been in force under the rules of the Provident Fund for many years and the present Act is to regularize what has been done as a matter of course in the past.

I do not think I need argue the matter further. This is not the time nor place to enter into arguments regarding the vast numbers of railway employees dismissed through the whims of superior officers. The railway service does not need to be defended by me at this moment against a charge of that kind. But if any railway employé feels that he has been wrongfully dismissed he has his remedy in the courts.

**Lieut.-Colonel H. A. J. Gidney** (Nominated : Anglo-Indians): Sir, I rise to support this amendment. I rise to support it for three reasons. I consider that the deprivation of this provident fund to railway employees is wrong in principle, wrong in practice and wrong in fact. I know of cases in the railways in my own experience, in which old railway servants who have done from 20 to 30 years' service—meritorious unblemished service—and have been dismissed, because one night, perhaps X'mas night, or some other night, he misconducted himself—say struck his superior officer, a crime for which he must be dismissed. That man's

[Lieut.-Colonel H. A. J. Gidney.]

20 to 30 years' service has gone for nought, and for one single misdeed he has been deprived of all that provident fund or rather "gratuity" which the Government were good enough to place to his credit alongside his own Provident Fund deducted monthly from his salary. I consider that this employee should not have been deprived of his gratuity. It is his property in every way. In a case in which an employee has defalcated I consider that there is a reasonable excuse for such deprivation in order that the money defalcated may be made good out of the money which stands to his credit in the Provident Fund. In such cases the Railway usually institutes a criminal action against him, and if the man is guilty he is criminally punished besides departmentally. I consider that it is not right for a man who has robbed the railway to be made a present of his provident fund money. This line of thought and argument may seem as if I were arguing against my own convictions and conscience; but in such cases, the defalcator is adequately punished by law. To deprive such a man of his own lawful property, his money, which has been put in his name by the Railway or Government, simply for some such act of indiscretion at the end of an honourable 30 years of service is, I consider, wrong in principle, wrong in practice and wrong in fact.

**The Honourable Sir Charles Innes** (Commerce Member) : Sir, I must correct the impression which Colonel Gidney has just striven to leave upon the House. Colonel Gidney has led the House to believe that in every single case where a man is dismissed, Government's contribution to his Provident Fund is automatically taken away. That is not so at all. I can answer for it from my own experience, for many of these cases come up to me on appeal. Each case is considered on its merits. I may say further that every Agent and every railway officer considers the case of these men with the object of *not* depriving a man of his Provident Fund, if he can. I say without fear of contradiction that the deprivation of Provident Fund is resorted to only in extreme cases. I put it to the House that you must leave it to us and to the other bodies to which this Bill refers to have that discretion. As the Honourable Diwan Bahadur Rangachariar has pointed out, it is perfectly ridiculous, if you have a man who has robbed the railway or embezzled money, that we should not have power to take away his Provident Fund, and if we dismiss him after prosecution, is it not right that we should have power to take away this money which we have contributed ourselves ?

I have only risen to make that point clear. I wish to disabuse the House of the idea that Colonel Gidney tried to leave upon their minds, that this penalty is inflicted in every case of dismissal.

**Mr. Chaman Lall** : Sir, I was very sorry to hear the speech that the Honourable Sir Charles Innes has just delivered. He is certainly aware of the fact that railway workers on the North-Western Railway had their Provident Fund forfeited in 1920, some of them with service ranging from 15 to 20 years. After having sent up numerous applications on which no action was taken they were forced to declare a strike, and although representations were made to Government nothing was done in the way of refunding the gratuity or the Provident Fund which had been forfeited. This is a hardship which we are going to fight against. Diwan Bahadur Rangachariar has given us a case of which the Honourable Sir Charles Innes has made a great deal.

May I ask Sir Charles Innes how many cases of defalcations of that kind have come to his notice in the Railway Department during the last year? Because one or two such cases crop up occasionally, are you going to penalise thousands of workers in that department by giving effect to this particular clause in this Bill? I say not one of us who has got the interests, the rights, the privileges of the workers at heart is going to vote for this. There is one misapprehension in the minds of those who are opposing this amendment....

**Diwan Bahadur T. Rangachariar :** May I ask, is this Bill confined to Railways? Is it not to be a general Act?

**Mr. Ohaman Lall :** Sir, the misapprehension that is working in the minds of certain Members is this : they seem to consider that the Provident Fund contribution by the employer is a matter of grace. It is not ; it is a question of giving a man less than his market value, less than what he could command in the market, of giving him an inducement to remain in service by adding a little to his pay by way of provident fund instead of giving him his legitimate wages every month. To that you add a portion which he contributes himself. I say to forfeit that fund is to forfeit the rightful possession of the worker. I consider that it is not just, it is not proper, it is not decent for any employer to indulge in tactics of this kind. We are not going to allow the workers to be deprived of this provision. We have had plenty of experience in Bombay, Calcutta and elsewhere where the employers simply by dismissing a man forfeit his provident fund and thereby penalise him. This, indeed, is a penal clause and we are going to fight against all such penal provisions being inserted in the Bill to the detriment of the interests of industrial workers.

**The Honourable Sir Alexander Muddiman (Home Member) :** Sir, I am very sorry that this clause has called so much attention to the Railways. As pointed out by my Honourable friend, (Mr. Rangachariar), and as I pointed out myself in my opening remarks on this Bill, it applies to all classes of Government, Railway and Local Provident Funds which fall within the Act. Now this question of the potential power—because the Act does not require it—the potential power to take back the employer's contribution in the event of dismissal can surely not be put higher than the cognate case of pension. Now what is the rule to which I am subject in common with every Government servant? I will read it. It is rule 353 of the Civil Service Regulations :

“ No pension may be granted to an officer removed for misconduct, insolvency or inefficiency.”

Now surely you cannot put the case of the employer's share of his contribution to the provident fund higher than the question of pension. I do not think you can put it any higher than that. Now if this rule that I read to you has not these deplorable results in Government service why should it in the railways? If there is any hardship—and my Honourable Colleague has denied that the staff are treated harshly on the railways—it is not by interfering with this law that you will improve it. You really cannot put the case higher than the pension case, and I have not heard that it has been worked harshly in the case of Government servants in India. I therefore hope the House will not spoil this Bill by accepting the amendment which has been moved.

**Mr. K. Ramā Aiyangar** (Madura and Ramnad *cum* Tinnevely : Non-Muhammadian Rural) : Sir, the Honourable the Home Member has brought us very close to the point at issue. The question is what are the Provident Funds started for ? That is the question. I think my Honourable friend, Mr. Rangachariar did not tackle that point. In this case there is a deduction of pay and a contribution by the employer. In the case of pension there is no deduction from pay, and the allowance is paid for long service. That is the main difference. What is this deduction for ? The person who contributes to a provident fund is prepared to make some sacrifice because he thinks there will be something for him in after-life. The master is prepared to give it to him because he thinks it will be a source of encouragement to him. That is the real position. The Assembly is now enacting a measure and considers this point: The question that really arises is what shall we do, shall we say that we should hold this contribution as security for good service, or shall we say, this is an amount earned for services already done ? The other questions do not arise. If the person commits a breach of trust and commits other depredations, the law is there. I do not think it can be argued that all these remedies should be embodied in this. On the other hand, we may well say, supposing under those circumstances,—I am talking now of the cases where either misconduct or even really atrocious conduct is committed—a servant is dismissed, the question is whether this allowance that has been laid by for his benefit should be taken away for that purpose. That may be done by law ; that may be done by other means. Of course Mr. Hindley stated : “ Let him go and establish his dismissal as wrongful and then he will be paid.” On the other side why not advise the Railway to make a claim against him ? Why should not the claim be instituted by the master, and this money taken away, if the money is due to him ? Of course ordinarily moneys that are payable to him are covered by the previous clause which has been passed by the Assembly. In the other case it is not as easy a question as has been put forward by my Honourable friend Mr. Rangachariar ; it is a matter in which the Legislature has to take action. If it is money belonging to the servant who has contributed towards it, the master giving his contribution for the purpose of keeping him happy, I do not think we can touch it on this ground. If, on the other hand, the provident funds are created for the purpose of better and more honest service, that is quite a different matter. Of course, it is a matter on which I am prepared to hear from the Treasury Bench. If they would say it is meant to be given for the purpose of good or sure service, then suppose a man is only a poor clerk who is unable to plead ; he finishes his career without having this, which is taken away from him. Is there any provision in this Bill which makes it capable of being taken away for serious offences ? Ordinarily this Assembly ought, I think, not to interfere with this payment if it can avoid it.

**Khan Bahadur W. M. Hussanally** (Sind : Muhammadan Rural) : Sir, I am afraid some of my friends here have quite misunderstood clause (b). Clause (b) provides for two cases and not only for one. Firstly it provides with regard to dismissal. Now suppose a man is dismissed for misconduct, my friends wish that no deduction should be made from his money, which may be due, whereas in the first clause, although a man serves for a long time and has perhaps earned a pension, deductions are allowed to be



made, inasmuch as clause (a) has just been carried; so that if you do not allow a similar deduction to be made from a man who is dismissed, you put a premium upon his misconduct. In the first case, when he has served a long time and done good service, you allow a deduction to be made, whereas in the other case, if he is dismissed for misconduct you put a premium actually on such misconduct if the amendment of my friend is carried. Secondly, this clause provides in regard to persons who resign within five years of service.

**Dr. K. G. Lohokare :** That has yet to come.

**Khan Bahadur W. M. Hussanally :** I think the Honourable Member's amendment applies to the whole clause. If that is so, I will argue with regard to the second part also. A man who resigns within a short time of his service certainly has no claim.

**Mr. President :** The question of resignation comes up later on.

**Khan Bahadur W. M. Hussanally :** Very well, Sir. I will only point out the inconsistency which will follow if the amendment of my Honourable friend is carried with regard to clauses (a) and (b).

**Mr. K. Venkataramana Reddi (Guntur cum Nellore : Non-Muhammadan Rural) :** Sir, the *pros* and *cons* of this amendment and the last amendment are simply a bundle of misconceptions and illogicalities. We know for a fact, Sir, that employees who do things which are unpleasant to their superiors are dismissed, and every morning we hear the representative of the Railway Board saying that Government are unable to interfere with the internal management of certain railways which are managed by Companies when questions are asked about the unjust dismissal of Railway employees. But as has been pointed out by Diwan Bahadur Rangachariar and the Honourable Mr. Hindley, if these amendments are given effect to, there is no way of safeguarding the legal liabilities of employers and preventing misappropriations by employees. Under these circumstances, Sir, I suggest that the clause might be redrafted after withdrawing the Bill.

**Mr. President :** The original motion was :

"That clause 6 stand part of the Bill."

Since which an amendment has been moved :

"That in sub-clause (b) of clause 6, omit the following words :

"where the subscriber or depositor has been dismissed from the employment of that authority, or"

The question I have now to put is that that amendment be made.

The Assembly divided :

AYES—62.

Abdul Karim, Khwaja.  
Abhyankar, Mr. M. V.  
Abul Kasem, Maulvi.  
Acharya, Mr. M. K.  
Ahmad Ali Khan, Mr.  
Aiyangar, Mr. C. Duraiswami.  
Aiyangar, Mr. K. Rama.  
Alimuzzaman Chowdhry, Mr.  
Aney, Mr. M. S.  
Badi-uz-Zaman, Maulvi.  
Belvi, Mr. D. V.  
Chalmers, Mr. T. A.  
Chamras Datt, Mr.

Das, Mr. Bhubanananda.  
Das, Mr. Nilakantha.  
Datta, Dr. S. K.  
Dutt, Mr. Amar Nath.  
Ghazanfar Ali Khan, Raja.  
Ghose, Mr. S. C.  
Gidney, Lieut.-Colonel H. A. J.  
Goswami, Mr. T. C.  
Govind Das, Seth.  
Gulab Singh, Sardar.  
Hans Raj, Lala.  
Hyder, Dr. L. K.

AYES—62—*contd.*

Ismail Khan, Mr.  
 Ivengar, Mr. A. Rangaswami.  
 Jeelani, Haji S. A. K.  
 ✓ Joshi, Mr. N. M.  
 Kasturbhai Lalbhai, Mr.  
 Kazim Ali, Shaikh-e-Chatgam Maulvi  
 Muhammad.  
 Kelkar, Mr. N. C.  
 Lohokare, Dr. K. G.  
 Malaviya, Pandit Madan Mohan.  
 Mehta, Mr. Jamnadas M.  
 Misra, Pandit Shambhu Dayal.  
 Misra, Pandit Harkaran Nath.  
 Murtuza Sahib Bahadur, Maulvi Sayad.  
 Mutalik, Sardar V. N.  
 Nambiyar, Mr. K. K.  
 Narain Dass, Mr.  
 Nehru, Dr. Kishenlal.  
 Nehru, Pandit Shamlal.

Neogy, Mr. K. C.  
 Patel, Mr. V. J.  
 Purshotamdas Thakurdas, Sir.  
 Ramachandra Rao, Diwan Bahadur M.  
 Ray, Mr. Kumar Sankar.  
 Reddi, Mr. K. Venkataramana.  
 Samiullah Khan, Mr. M.  
 Sardar, Rai Sahib M. Harbilas.  
 Sarfaraz Husain Khan, Khan Bahadur.  
 Shafee, Maulvi Mohammad.  
 Shams-uz-Zoha, Khan Bahadur M.  
 Singh, Mr. Gaya Prasad.  
 Sinha, Mr. Ambika Prasad.  
 Sinha, Kumar Ganganand.  
 Tok Kyi, Maung.  
 Ujagar Singh Bedi, Baba.  
 Venkatapatiraju, Mr. B.  
 Vishindas, Mr. Harchandrai.  
 Yusuf Imam, Mr. M.

## NOES—39.

✓ Abdul Qaiyum, Nawab Sir Sahibzada.  
 Ahmed, Mr. K.  
 ✓ Aiyer, Sir P. S. Sivaswamy.  
 ✓ Ajab Khan, Captain.  
 ✓ Akram Hussain, Prince A. M. M.  
 Bhole, Mr. J. W.  
 Blackett, The Honourable Sir Basil.  
 Bray, Mr. Denys.  
 Burdon, Mr. E.  
 Calvert, Mr. H.  
 Chatterjee, The Honourable Mr. A. C.  
 Cocke, Mr. H. G.  
 Crawford, Colonel J. D.  
 Duval, Mr. H. P.  
 Fleming, Mr. E. G.  
 Ghulam Bari, Khan Bahadur.  
 Hezlett, Mr. J.  
 Hindley, Mr. C. D. M.  
 ✓ Hira Singh, Sardar Bahadur Captain.  
 Holme, Mr. H. E.

Hudson, Mr. W. F.  
 Hussanally, Khan Bahadur W. M.  
 Innes, The Honourable Sir Charles.  
 Lloyd, Mr. A. H.  
 Moncrieff Smith, Sir Henry.  
 Muddiman, The Honourable Sir  
 Alexander.  
 Nag, Mr. G. C.  
 Parsons, Mr. A. A. L.  
 ✓ Raj Narain, Rai Bahadur.  
 Rangachariar, Diwan Bahadur T.  
 Rushbrook-Williams, Prof. L. F.  
 Sams, Mr. H. A.  
 Sastri, Diwan Bahadur C. V. Visvanatha.  
 Singh, Rai Bahadur S. N.  
 Sykes, Mr. E. F.  
 Tonkinson, Mr. H.  
 Tottenham, Mr. G. R. F.  
 Webb, Mr. M.  
 Wilson, Mr. R. A.

The motion was adopted.

**Dr. K. G. Lohokare :** Sir, instead of moving the small amendment that follows, I should like to speak against the whole sub-clause as amended even. I am sorry I have no other alternative left. Let me first tell you, Sir, that I feel the pinch of the clause as if it had operated on me. I was a railway servant to begin with, as a number marker in a goods shed about twenty years before. I know how these poor railway servants suffered at the hands of the railway management. We have been told that these Provident Funds include other Provident Funds besides Railways. Yes, Sir, there are other Provident Funds ; but what is the proportion of their subscribers to the subscribers in the Railway Provident Fund ? It is an infinitesimal number as compared with railway employees. Consequently, the clause affects a large number of poor people, who are underfed and unsympathetically looked after by the railway administration. We are told that there are certain penal cases which do not deserve any attention. There are some penal cases, but our experience has been that the number of real penal cases falls far short of the number of unjust cases. Is it right to penalise the large number of innocent people in order that the law may be enforced against the real culprits ? Had this clause provided some sort of arrangement by which the dismissal could have gone to a tribunal or some conciliation board, I could have very well under-

stood it. But no such provision has been made and I think the power given to the employer is absolutely against the interests of the employees in this country. As long as there is no conciliation board or an independent body having judicial acumen to try these cases and hear appeals, and as long as there are these superior authorities, these Maharaja Bahadurs on the opposite benches who say "We see no reason to interfere with the administration", I think we have to keep an eye over these poor people and get ourselves interested in their cause. It is because I have seen the condition of these people, many of their children almost feeling the pinch of starvation and seeking employment as labourers without even a little education, technical or otherwise, it is because I have seen their condition after such dismissals and shed tears with them, that I have been asking you not to allow this sort of clause which will keep in the hands of the employer such powers as will deprive the poor of their bread in their rainy days. The Provident Fund and the Provident Fund Rules are meant more for poor people than others. If you deprive them of any facilities in getting their money for getting a little quarter piece of bread and *jowari* and a little bit of cloth to cover their loins to prevent them just starving, it is my duty to appeal to you; and if I fail in the appeal I have nothing else to say. But remember, Sir, that the cases of persons who commit crimes are only 5 per cent. and that the rest, 95 per cent., are cases of misjudgment. All this is due to such Company management of Railways in India.....

**The Honourable Sir Alexander Muddiman** : I am sorry to interrupt the Honourable Member; but it might perhaps shorten the debate if I proceed to ascertain what exactly is before the House now. Is it that clause 6 do stand part of the Bill?

**Mr. President** : The only motion before the House is that clause 6 stand part of the Bill. The Honourable Member, I understand, is moving his amendment.

**The Honourable Sir Alexander Muddiman** : I shall not oppose the omission of clause 6.

**Dr. K. G. Lohokare** : Am I to understand that the Government are willing to omit the clause?

**The Honourable Sir Alexander Muddiman** : If it would help to shorten the debate, I may state that I will not oppose the omission of clause 6.

**Dr. K. G. Lohokare** : Then my purpose is finished.

**Mr. M. A. Jinnah** : No, Sir; I cannot understand why an Honourable Member should be allowed by a sort of his own consent and that of another Member of this House to say that this should be omitted. I oppose it.

**Mr. Chaman Lal** : Am I to understand that this clause should be omitted or merely sub-section (b) of clause 6?

**Mr. President** : The only motion before the House is that clause 6 stand part of the Bill. The Honourable Member, after having proposed an amendment and secured the vote of the Assembly in his favour, has taken the very unusual course of talking against the clause itself.

**Mr. K. Rama Aiyangar** : Sir, I think the step that is being taken by my Honourable friend, Dr. Lohokare, is not in the best interests of the

[Mr. K. Rama Aiyangar.]

employés who will be affected by this Bill. I wish respectfully to place before the Assembly my view that it will be very unwise not to allow the clause to stand there, especially when the other amendment has been carried. Dr. Lohokare instead of, if necessary, trying to amend the clause further has addressed himself to the motion for deleting the clause wholly. But any one can well see that the whole Bill will never be given effect to if the whole of clause 6 is deleted.

**Mr. N. M. Joshi :** You are mistaken.

**Mr. K. Rama Aiyangar :** I beg your pardon, the Government may apparently consent. It must mean more than consent.

**Mr. N. M. Joshi :** You are reading too much into that.

**Mr. K. Rama Aiyangar :** I want to place that view very strongly before this House. My view is we ought not to allow this clause 6 to be deleted. We should not make the masters perfectly—what shall I call it—impotent in the matter of anything connected with this Bill and with the administration of the Provident Funds. And, if you are going to ask the Government to accept the deletion of this clause, it is the same as asking the Government not to start Provident Funds at all. I do not know if for the sake of a small percentage of servants that might be suspended or that might resign under circumstances, that they may have to lose their contributions or that there may be slight deductions made, you are going to deprive them of the real help that is being given to them by all departments, I shall leave out the Government servants, the railway provident funds and the local services. Are we not as private managers of educational institutions in this land trying to help the teachers by starting provident funds? Are we not interested in seeing that our servants are really helped as far as possible to have a contented life? This is a Bill which really provides for that. And I oppose any amendment to delete clause 6 and I would respectfully ask my friends to think over the position. I do not think we can afford to lose a Bill that is now to be placed on the Statute-book. I do not think the Honourable the Home Member will really consider the last vote as anything against the Bill. I would seriously request him to see that the basis and the equity of the provident fund being different from ordinary pensions he will allow the amendment carried by this Assembly as only a proper step taken to put before the Government their view of the case. He should not misinterpret the view of the Assembly and I would request him to see that he gives it the consideration it deserves. It is a step taken by the Assembly, and both points were considered, some of our friends themselves taking the opposite view, but the result was as we have seen and that portion alone was deleted, but that is no reason why the Bill which really benefits so many should be really affected. I therefore request my friends to see that, since the other amendments have been now dropped, that clause 6 stand part of the Bill.

**Mr. N. M. Joshi :** Sometimes, Sir, the Government and friends in very strange quarters, and when they are not even needed. The Government are quite willing to drop this whole clause, but now come forward some people saying that this clause as amended should be kept. I cannot understand the necessity for it at all. This whole clause is a new clause altogether. Neither the Government nor the Railway Companies found any inconvenience so far without this clause at all. And still there are some people here who think for some reason unknown to me but perhaps

known to them, but which they have not explained, that there may be something good in this clause and therefore it must be kept. Has anyone pointed out why this clause even as amended should be kept? There is one part of the clause left now, that is about giving Government power to deduct the amount due from the employee. So far neither the Government nor the Railway Companies have found it difficult to get such money from their employees. As a matter of fact, the employees have some common sense still left in them. When there is a real liability the employee does not like to go to court. The employees know very well that the railway company is a rich corporation. The employees know very well that the Government have got the resources of the country behind their back. They can file a suit in court but may carry it on in three or four courts if necessary. Therefore, when there is a real liability, the employee always consents to give the money. He is not willing to go to the law court and enter into legal proceedings against such powerful railway companies and a powerful Government. The employee knows very well if he goes to court, not only will he lose the small part of his contribution but he will have to pay the legal costs also. Therefore, he never grudges to pay whenever there is a real liability to be paid. There is only another thing left here and that is the reference to the period of five years. Even if a man has served for one year, why should he not get the employer's contribution to the provident fund? If he is to get it for five years he should also get it for one year. Government has not made out any case for introducing this new restriction. They do not really want it. Therefore they have acceded to the request of the House to drop it. But now some people come forward and find there is something good in it,—because Government now accept our point of view. This is, Sir, the natural distrust of Government which some people have got in their hearts. I hope, Sir, the House will not be misled by the inclination of some people to distrust Government. Perhaps it may not be mere distrust of Government. There are some people who are managing some provident funds themselves. They may be Managers of Schools. They may be Presidents of some Municipalities. As a matter of fact, managers of schools I do not think can come under this Bill, but they may be Presidents of Municipalities and then it may be their turn to deduct the contributions of municipal employees. They do not want to part with that power. I hope, Sir, such narrow considerations will not enter the minds of the Members of this Assembly. If a thing is good, it is good for all people. Therefore, as Government have practically given their consent,—as Government have very kindly given up their opposition, I hope the Presidents of Municipalities and managers of schools will not also stand in the way of poor people getting justice.

**Mr. M. A. Jinnah (Bombay City : Muhammadan Urban) :** Sir, I must justify myself in having taken up the position that I was really surprised why the Honourable the Home Member was so ready to have this clause deleted altogether. I certainly would not have taken part in this debate, but I am really surprised. I am not standing here merely as a person who distrusts Government, but I am standing here as a representative of the people and the Government have got to do what is best for the people and not as it pleases their whims. Now, I cannot understand any Government readily dropping clause 6 (b). Sir, if Mr. Joshi had really tried to understand this point, he would never have argued in the manner he has done. Now, let us see what it means. It means this.

[Mr. M. A. Jinnah.]

The relationship of an employer and an employee comes under clause (a). Clause (a) says this :

“(a) any amount due under a liability incurred by the subscriber or depositor to that authority, but not exceeding in any case the total amount of any contributions credited to the account of the subscriber or depositor and of any interest or increment which has accrued on such contributions ; ”

and so on. Now this is a case where he has incurred liability. If he has incurred any liability, how is that liability to be realised ?

**Mr. N. M. Joshi :** He pays it himself.

**Mr. M. A. Jinnah :** Quite so. In that case, it means this, that he takes away his contribution from the provident fund and his liability merely remains a liability in law which will compel the Government or the Railway to file a suit. Why ? Well, would Mr. Joshi, if I had a deposit with him of Rs. 10,000, (*Mr. N. M. Joshi :* “ It is not your deposit.”) Excuse me. (*Mr. N. M. Joshi :* “ I do not accept that.”) One minute. If Mr. Joshi had my Rs. 10,000 with him, and if I had incurred a liability and in my turn owed him Rs. 5,000, would Mr. Joshi in his wisdom hand over the Rs. 10,000 to me and then file a suit against me for Rs. 5,000, or would he not deduct and pay Rs. 5,000 ?

**Mr. N. M. Joshi :** Yes, if the Rs. 10,000 are yours. They are not yours.

**Mr. M. A. Jinnah :** Mr. Joshi does not appreciate my argument. That is all I can say. Government money is not the money of the Honourable the Home Member or even of the Treasury Bench. That money belongs to us. I appeal to this House not to fall into this trap and the Honourable the Home Member will probably ridicule this House by saying that it would like to delete this clause.

**Mr. N. M. Joshi :** I do not think so.

**Mr. M. A. Jinnah :** With regard to sub-clause (b)—I ask you, Sir, to put these two sub-clauses separately to the vote of the House so that we may get a correct verdict of the House—with regard to sub-clause (b). There the difference is this. The question is whether that also ought to be deleted or not. On that point I do not hold very strong views one way or the other, and therefore I leave it entirely to the House to vote as they think proper. It seems to me, Sir, that it is a very small matter after all, and I will therefore not press the House as to how they should vote.

**Mr. President :** The question is :

“ That clause 6, as amended, stand part of the Bill.”

Does the Honourable Member move the motion to divide the clause into two ?

**Mr. M. A. Jinnah :** Yes, Sir, I do.

**Mr. President :** The question is :

“ That clause 6, down to the words ‘ contributions ; or ’ stand part of the Bill.”

**Mr. N. M. Joshi :** I do not understand what is being put, Sir.

**Mr. President :** The question is :

“ That clause 6 including the first eight lines and sub-clause (a) stand part of the Bill.”

Does the Honourable Member understand now ?

(A division was claimed.)

**Mr. M. A. Jinnah :** May I suggest, Sir, that in this matter you should take the division by a show of hands or by Members standing up under the rules ? That will save a lot of time.

**Mr. President :** The question is :

“ That the first eight lines of clause 6 and sub-clause (a) stand part of the Bill.”

(A division was not pressed.)

The motion was adopted.

**Mr. President :** Further question is :

“ That there be added to clause 6, sub-clause (b) as follows :

‘ where he has resigned such employment within five years of the commencement thereof, the whole or any part of the amount of any such contributions, interest and increment ’.”

That is, sub-clause (b) will be as amended by the omission of the first 2½ lines.

The question is :

“ That sub-clause (b), as amended, stand part of the Bill.”

The motion was negatived.

**Mr. President :** The question is that clause 7 stand part of the Bill.

**Dr. K. G. Lohokare :** I will not move my amendment,\* Sir.

Clause 7 was added to the Bill. Clauses 8, 9, and 10, the Schedule, clause 1, the Title and the Preamble were added to the Bill.

**The Honourable Sir Alexander Muddiman :** I make no motion, Sir.

**Mr. Chaman Lall :** I beg to move that the Bill be passed.

**Mr. President :** That motion cannot be made except by the Member in charge of the Bill.

**The Honourable Sir Alexander Muddiman :** In order to remove any misapprehension I may say that I do ~~not~~ make any motion in order that the Bill may be examined with a view to consequential changes.

**Mr. President :** It is rather too late to take up other business.

The Assembly then adjourned till Eleven of the Clock on Saturday, the 20th September, 1924.

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\* “ The following words be added at the end of clause 7 :  
‘ except as provided in section 6 (a) ’.”