

Monday, 25th September, 1922

THE  
**COUNCIL OF STATE DEBATES**  
(Official Report)

**VOLUME III**  
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**THIRD SESSION**  
OF THE  
**COUNCIL OF STATE, 1922** °



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MONDAY, 25TH SEPTEMBER, 1922 . . . . . 435-471

- Questions and Answers.
- Statement laid on the Table.
- Messages from His Excellency the Governor General *re*: Indian States (Protection against Disaffection) Bill.
- Procedure in regard to Bill which Legislative Assembly refuses leave to introduce.
- Cotton Transport Bill.
- The Nomination of Members to Joint Committee.
- ~~Resolution *re*: Amendment of Land Acquisition Act of 1894.~~
- Resolution *re*: Reconstitution of Railway Board.
- Resolution *re*: Compilation of Statistics relating to the Economic, Social and Constitutional Progress of India.

TUESDAY, 26TH SEPTEMBER, 1922 . . . . . 473-521

- Messages from Legislative Assembly regarding Police (Incitement to Disaffection) Bill and Criminal Tribes (Amendment) Bill.
- Indian Transfer of Ships Restriction (Repealing) Bill.
- Indian States (Protection against Disaffection) Bill.
- Attendance in Council and Departure of Sir William Vincent.
- Adjournment of Council.

INDEX . . . . . 1-40

# COUNCIL OF STATE.

*Monday, the 25th September, 1922.*

The Council met in the Council Chamber at Eleven of the Clock. The Honourable the President was in the Chair.

## QUESTIONS AND ANSWERS.

### ARTICLES IN ENGLISH PRESS RE: INDIANIZATION OF THE INDIAN ARMY.

163. The HONOURABLE MR. LALUBHAI SAMALDAS : Will Government be pleased to say whether they have noticed the following remarks in *The Nation* and *The Athenaeum* of August 12th :

‘ I take a critical question—the Indianization of the Indian Army. It is quite unavoidable, and it has long been considered. Its principle, the inevitable subordination of some Englishmen to some Indians—already applied to the civil sphere—was, I believe, approved by Lord Hardinge. Lord Reading, if I am not mistaken, has gone further. He has made himself responsible for drafting a moderate measure, setting up a gradual scheme of appointment for Indian officers, to mature in thirty years. What has been the fate of this measure ? I believe that the Cabinet has considered and rejected it.’

and say what truth there is in the statement ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The Government have seen the remarks in question. As regards the second part, the question of the measures to be adopted for the Indianisation of the Indian Army at present forms the subject of correspondence between the Government of India and the Secretary of State, and the Government of India are not at present in a position to make any announcement on the subject.

### UNAUTHORISED PUBLICATION OF FISCAL COMMISSION REPORT.

164. The HONOURABLE SIR EDGAR HOLBERTON : (a) With reference to the reply given on the 6th September 1922, to the question No. 38\* asked by the Honourable Maharaja Sir Manindra Chandra Nandy, will Government be pleased to state :

(1) whether the Report of the Fiscal Commission has now been received and, if so, when ; and

(2) whether it has been published or copies sent to the Press ?

(b) If the Report has not been published or distributed to the Press, are Government aware that criticism of the unpublished Report has appeared in the edition of the “ *Bombay Chronicle* ” published on Saturday, the 16th September 1922 ?

(c) Have any inquiries been instituted, with a view to discovering whether and by what agency the Report was improperly disclosed ?

\* *Vide* page 28 of Volume III, No. 2.

(d) Will Government be pleased to state whether it is intended to take any disciplinary action to deal with the present case and what action, if any, it is proposed to take to avoid the premature leakage of such papers in the future ?

The HONOURABLE MR. H. A. F. LINDSAY: The facts are as follows :—

The report was signed by all Members of the Commission at Simla on July 6th last. Five Members of the Commission, however, signed the report subject to a minute of dissent, and in order to avoid expense to Government, the Commission dispersed before the minute of dissent was actually written. The minute of dissent did not reach the Government of India till September 8th, and final arrangements were then made for the publication of the complete report to-day, September 25th.

The Government of India have seen the article in the "Bombay Chronicle" to which the Honourable Member refers, and subsequent articles on the same subject. The Editor has announced in the issue of the 19th instant that they are from the pen of a well-known Economist. No copy of the report has been sent to this paper by the Government of India. It is clear, however, that either the "Bombay Chronicle" or this 'well-known economist' was in possession of, or had had access to, a copy of the majority report. All the members of the Commission took away with them, it is believed, copies of the majority report when the Commission dispersed in July, and the Government of India can only suppose that one of these copies found its way into the hands of the "Bombay Chronicle" or the well-known economist. It will be considered whether inquiries should be made though it is unlikely that they will lead to any result.

The Government of India doubt whether any disciplinary action is possible, or could usefully be taken in the present case. If they are right in their surmise that one of the copies of the majority report taken away by the Members of the Commission in July last found its way into the hands of the newspaper or this well-known economist, the Government of India are unable to see what particular precautions they can take against leakage of this kind in future. They can only impress upon the members of Commissions the necessity of taking scrupulous care to prevent the premature disclosure of documents which they are in honour bound to treat as strictly confidential until the documents have been submitted to the Government of India and published by them.

The HONOURABLE SIR EDGAR HOLBERTON: Are the Government of India in a position to inform us of the name of the well-known economist who is referred to in their reply ?

The HONOURABLE MR. H. A. F. LINDSAY: I regret that the name is not known. It may possibly come out if inquiries are made.

The HONOURABLE MR. LALUBHAI SAMALDAS: Is it a fact that the Honourable the President of the Commission had to attend to his duties as a Member of the Executive Council and was very busy with the Legislative Council's work when the Commission was formally dissolved on the 6th of July ?

The HONOURABLE MR. H. A. F. LINDSAY: I understand that that was the case.

The HONOURABLE SIR EDGAR HOLBERTON : If the results of the inquiry disclose a sufficiency of evidence to justify disciplinary action, is this House to understand that Government will be prepared to take it ?

The HONOURABLE MR. H. A. F. LINDSAY : I am afraid that my reply would be an answer to a hypothetical question.

The HONOURABLE SIR ARTHUR FROMM : Sir, is Government prepared to state whether there is any time limit in which dissenting members of a Commission should write their dissenting report. It seems to me a great deal of time has been wasted over this, and it is possibly this which led to the trouble we are now discussing.

The HONOURABLE MR. H. A. F. LINDSAY : There is no time limit.

The HONOURABLE SIR EDGAR HOLBERTON : May I be informed, Sir, whether there is any other Statute under which disciplinary action could be taken in this country except the Official Secrets Act ? I refer, of course, to the fact that a similar state of leakage can be dealt with at Home under the Parliamentary Discipline Act or the Breach of Parliamentary Practice Act.

The HONOURABLE MR. H. A. F. LINDSAY : I am afraid I must have notice of that question.

STATEMENT LAID ON THE TABLE.

The HONOURABLE MR. S. P. O'DONNELL (Home Secretary) : Sir, I lay on the table the information promised in reply to a question by the Honourable Sir Dinshaw Wacha on the 11th September, 1922, regarding the number of officers in the Indian and Provincial Civil Services.

*Statement showing the number of officers in the Indian Civil Service and the Provincial Civil Service on the 30th June 1914 and on the 30th June 1922.*

Province.	ON 30TH JUNE 1914.				ON 30TH JUNE 1922.			
	I. C. S.		P. C. S.		I. C. S.		P. C. S.	
	I. C. S. Alone.	Mixed Com-mission.	Execu-tive.	Judi-cial.	I. C. S. alone.	Mixed Com-mission.	Execu-tive.	Judi-cial.
Madras ... ..	178	...	137	149	168	...	157	175
Bombay ... ..	180	1	86	123	162	...	90	162
Bengal ... ..	179	...	327	297	183	...	321	299
United Provinces ... ..	243	...	316	114	217	...	406	174
Punjab ... ..	168	28	141	48	150	14	226	141
Burma ... ..	125	50	137	29	127	27	144	107
Bihar and Orissa ... ..	113	...	258	98	115	...	221	103
Central Provinces ... ..	96	11	112	49	93	4	108	125
Assam ... ..	42	18	69	*	47	2	84	*
<b>Total*</b> ... ..	<b>1,324</b>	<b>98</b>	<b>1,583</b>	<b>907</b>	<b>1,262</b>	<b>47</b>	<b>1,757</b>	<b>1,286</b>

\* Assam has no separate judicial cadre of its own, but a joint one with Bengal.

N.B.—The figures in the above statement exclude "listed" posts but include officers serving on probation and temporarily in the Provincial Civil Service.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR  
GENERAL.

The HONOURABLE THE PRESIDENT : A message from His Excellency the Governor General :

*Whereas the Legislative Assembly has refused leave to introduce a Bill to prevent the dissemination by means of books, newspapers and other documents of matter calculated to bring into hatred or contempt, or to excite disaffection against, Princes or Chiefs of States in India or the Governments or Administrations established in such States, a copy of which is hereto annexed);*

*Now, therefore, I, Rufus Daniel, Earl of Reading, in exercise of the powers conferred by sub-section (1) of section 67-B of the Government of India Act, do hereby certify that the said Bill is essential for the interests of British India.*

READING,

Viceroy and Governor General.

The 24th September 1922.

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Another message from His Excellency the Governor General :

*I, Rufus Daniel, Earl of Reading, in exercise of the powers conferred by sub-section (1) of section 67-B of the Government of India Act, do recommend that the Bill to prevent the dissemination by means of books, newspapers and other documents of matter calculated to bring into hatred or contempt, or to excite disaffection against, Princes or Chiefs of States in India or the Governments or Administrations established in such States, be passed in the form annexed hereto.*

READING,

Viceroy and Governor General.

The 24th September 1922.

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INDIAN STATES (PROTECTION AGAINST DISAFFECTION) BILL.

The SECRETARY OF THE COUNCIL : Sir, in accordance with the provisions of section 67-B of the Government of India Act, I lay on the table a copy of the Bill to prevent the dissemination by means of books, newspapers and other documents of matter calculated to bring into hatred or contempt, or to excite disaffection against, Princes or Chiefs of States in India or the Governments or Administrations established in such States, leave to introduce which was refused by the Legislative Assembly at its meeting of the 23rd September 1922, the said Bill having been certified, under the provisions of the same section, by the Governor General as essential for the interests of British India.

The HONOURABLE THE PRESIDENT : I direct that the certificate of His Excellency the Governor General and the recommendation of His Excellency the Governor General be endorsed on the back of the Bill.

#### PROCEDURE IN REGARD TO BILL WHICH LEGISLATIVE ASSEMBLY REFUSES LEAVE TO INTRODUCE.

The HONOURABLE MR. J. P. THOMPSON (Political Secretary) : I rise, Sir, with your permission, to explain, with reference to the form in which the motion has been placed on the agenda list for to-morrow that there are no precedents and no rules to guide us as to the form of that motion. I venture, therefore, to ask, Sir, that you will give us a ruling as to the procedure which should be followed.

The HONOURABLE THE PRESIDENT : This, I think, is the first occasion when a Bill certified under section 67-B of the Government of India Act has been brought before the Council of State or indeed the Indian Legislature. I therefore think the Honourable Member is perfectly justified in asking for my views in the matter. The rules do not provide in terms for the consideration of certified Bills. Apparently, the same rules apply as in the case of other Bills. I therefore think that I ought to indicate to the Council my views as to the procedure to be followed, and I will further take this opportunity of making certain remarks on the constitutional aspect of this matter. The section is certainly not easy to construe and such a survey may assist Honourable Members in approaching the Bill. It will be observed that section 67-B, which Honourable Members will find reprinted in the Appendix to this Red Manual, falls into two parts. It deals, in the first place, with Bills which have already been passed by the other Chamber. I need not trouble the Council with that because this Bill has not been passed by the other Chamber. We learn from the certificate of His Excellency that leave to introduce the Bill has been refused. That brings us to the second part of sub-clause (b) of section 67-B, which I think I had better read to the Council. It runs as follows :

“ If the Bill has not already been so passed, the Bill shall be laid before the other Chamber, and, if consented to by that Chamber in the form recommended by the Governor General, shall become an Act as aforesaid on the signification of the Governor General's assent, or, if not so consented to, shall, on signature by the Governor General, become an Act as aforesaid.”

Honourable Members will see that Parliament has directed that where leave to introduce a Bill has been refused by one Chamber and a certificate has been given by the Governor General, the Bill shall be laid before the other Chamber. That is a statutory direction, and it must be given effect to. The Bill has in fact been laid. I think therefore the position is analogous to that created by Rule 25 which directs that Bills that have been passed by the Assembly shall be laid before the Chamber, and that rule goes on to say (or the next rule, I forget which) that when a Bill has been laid, then a motion for consideration may be made. In other words, there is no motion for leave to introduce, and I think the Act itself contemplates that in

[The Honourable the President.] \*

this case also there should be no motion for leave to introduce. Otherwise the words of the section which I have read to you would be inoperative. The procedure to be followed hereafter appears to me to be the same as is followed in this Chamber when we are considering an ordinary Bill; that is to say, there must be a motion for consideration, and there must be a motion for the passing of the Bill. To put it shortly, the consent referred to in sub-clause (b), the consent of the Council, is to be ascertained in exactly the same way as the consent of the Council is ascertained in the case of any other Bill. There is no difference between the two. That, I think, clears up the question of procedure.

There remain one or two other points to which I should like to draw the attention of the Council. I would point out to them that this Bill is not merely a certified Bill but is also a recommended Bill, and therefore, if the Bill is passed by this Council in a form not recommended by the Governor General, the last words of sub-clause (b) may operate, that is to say,

“ or, if not so consented to, shall, on signature by the Governor General, become an Act as aforesaid.”

However, I should like to make it quite clear to the Council that they are in a position to express their views on the Bill as fully and freely as though it is an ordinary Bill. I should like to make this quite clear because I have heard suggestions that debates on a certified and recommended Bill must necessarily be entirely infructuous. That, I submit, is far from being the case, and I think the House will see this at once if I read section 67 (2) to the Council. That sub-section runs as follows :

“ Every such Act shall be expressed to be made by the Governor General, and shall, as soon as practicable after being made, be laid before both Houses of Parliament, and shall not have effect until it has received His Majesty's assent, and shall not be presented for His Majesty's assent until copies thereof have been laid before each House of Parliament for not less than eight days on which that House has sat; and upon the signification of such assent by His Majesty in Council, and the notification thereof by the Governor General, the Act shall have the same force and effect as an Act passed by the Indian Legislature and duly assented to.”

I have read this sub-section to the House for this reason. It will be seen that if this Bill is passed into law, it must be laid before the Houses of Parliament and any observation made by this Council must inevitably therefore come under the consideration of the Mother of Parliaments.

The HONOURABLE MR. V. G. KALE (Bombay : Non-Muhammadian) :  
Sir, if I understood your ruling aright I think it comes to this, that the Bill which has been placed upon the table to-day, will be discussed in the same manner as any other Bill that comes to us from the other House. But without anticipating the discussion that will take place here to-morrow, Sir, may I inquire if the House will have the same opportunities of going into the details of the Bill as we do generally have in the case of other Bills? That is to say, shall we be in a position to ‘take the Bill into consideration,’ as the usual language goes? So far as I can see, the motion that is coming up to-morrow,



is in the form of a Resolution, *i.e.*, the House is called upon to assent to the Bill. So that, if that motion is carried, it means that all discussion is practically stifled. I should like to have a ruling on that point, Sir.

The HONOURABLE THE PRESIDENT: Possibly I may have been obscure, but what I intended to indicate was that the course which has been followed in placing the actual motion on the paper is incorrect in my opinion, and I propose that instead of a motion of that character, the ordinary motions should be put down on the paper. Indeed I understood my Honourable friend asked for a ruling on that particular point, namely, the form of the motion.

The HONOURABLE MR. J. P. THOMPSON: Exactly.

The HONOURABLE THE PRESIDENT: That is to say, there will be a motion on the paper for to-morrow that the Bill be taken into consideration, and if that motion is carried, that the Bill be passed.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): May I ask a question, Sir? And that is whether a motion for postponing the consideration of the Bill can be brought to-morrow without any amendments?

The HONOURABLE THE PRESIDENT: The Honourable Member is entitled to move any motion that he can move with regard to any other Bill. Whether it is carried or not is a matter for the consideration of the Council.

(Then the Honourable Mr. Khaparde rose to speak while the President had called on the Honourable Mr. Moncrieff Smith.)

The HONOURABLE THE PRESIDENT: I will call the Honourable Member in his turn. I have now called on the Honourable Mr. Moncrieff Smith to speak.

The HONOURABLE MR. H. MONCRIEFF SMITH (Legislative Secretary): Sir, with reference to your ruling as to the procedure to be followed in this matter to the effect that we are, as far as possible, to follow the procedure which we adopt in the case of Bills which are passed by the other House and laid on the table here, and with reference to certain remarks that fell from the Chair, I think there is just one small point outstanding. You indicated, Sir, that the Council will have full opportunity of considering the Bill—to discuss the motion for consideration, to put forward amendments and then consider the motion that the Bill be passed. But, Sir, as you indicated in your remarks, the Governor General's power to make the law arises as soon as there is a failure on the part of the Council to consent to the Bill in the form recommended. Therefore, Sir, I would ask whether, in the event of this Council making an amendment to the Bill, the Governor General can thereupon in your opinion make the law by signing it in the form recommended under section 67-B (1)(b) and whether in that event it will be necessary for any motion at all to be made that the Bill be passed. I am trying to elicit a ruling as to whether in any case it will be necessary to pursue the matter to the bitter end if amendments are made in the course of the consideration of the Bill.

[The Honourable the President.]

The HONOURABLE THE PRESIDENT : It is rather a hypothetical proposition, but I think I take the Honourable Member's point. It is clearly competent to the Governor General, when an amendment has been carried by this House, to sign the Bill and make it law. Whether the Governor General would take that course is a matter on which I can express no opinion. If it was so, it would then be for the Council to consider whether it would be wise or necessary to pursue the discussion.

The HONOURABLE MR. G. S. KHAPARDE (Berar : Nominated Non-official) : I have a few amendments to the Bill. When are they to be given notice of ?

The HONOURABLE THE PRESIDENT : I understand that I am to have some application from the Honourable Member in charge of the Bill for cutting down the period of notice.

The HONOURABLE MR. J. P. THOMPSON : May I, Sir, with your permission, first ask to be allowed to alter the form of the motion standing on the agenda for to-morrow ?

The HONOURABLE THE PRESIDENT : Certainly.

The HONOURABLE MR. J. P. THOMPSON : I will, therefore, Sir, with your permission, move in accordance with your ruling, *first* that the Bill be taken into consideration, and *secondly* that the Bill be passed, if the first motion is assented to.

The HONOURABLE THE PRESIDENT : Then there is the question of notice. Has the Honourable Member appreciated my ruling ? My ruling is that a Bill of this class should be dealt with in the same manner as a Bill laid on the table from the Assembly. When a Bill is laid from the Assembly 3 days' notice is under the rules necessary.

The HONOURABLE MR. J. P. THOMPSON : With your permission, Sir, it could be shortened. May I ask, Sir, for your permission ?

The HONOURABLE THE PRESIDENT : I should like to have your reasons.

The HONOURABLE MR. J. P. THOMPSON : You refer, Sir, I take it, to the precipitation—perhaps that is the word which suggests itself to you—in bringing forward this Bill before the Council of State ?

In the first place, Sir, it was felt that the Session was nearing its close. Members have been notified that the 26th was the date on which the Session would close. It was felt, therefore, that if we asked to put off the discussion of the Bill we might be putting a number of members to very considerable inconvenience. If, Sir, you think that the inconvenience would be outweighed by the advantages, I should be glad to ask for permission to postpone the discussion on the Bill until Wednesday.

As regards the urgency of the Bill—why the Government of India should ask that it should be decided before the Council breaks up—I have only to say that the action of the Legislative Assembly has

been so unusual that we feel very serious apprehension might be created in the minds of the Rulers of Indian States if we did not take action at once with the object stated. It is for these reasons, Sir, that I ask your permission to bring this Bill up for consideration before the Council.

The HONOURABLE THE PRESIDENT: Honourable Members will remember that at the close of the last Session I had to make certain remarks on the danger of rushing legislation through at the end of a Session. I then expressed the opinion that as far as in me lay I would not encourage that practice. I thought then and I still think that it is not right that at the end of a dying Session the Council of State should be faced with a *fait accompli* and told "You have got to either pass the Bill or to sit on." In this case I fully understand that Government have to face a situation of an unexpected character. They have to face the rejection of a Bill brought forward by them on a motion for leave to introduce, not on a motion for consideration. These are very special circumstances, and while I maintain the position that I, as President of this House and as guardian of its dignity, will always do my best to prevent legislation being rushed through at the end of a Session, I must on this occasion accede to the request of the Honourable Member; but I accede to the request subject to a condition. If the Honourable Member has his term of notice shortened, so he must take short notice and he must therefore take amendments as they are proposed. I will suggest to Members of Council to put in their amendments at the earliest possible moment.

The HONOURABLE MR. J. P. THOMPSON: I gratefully accept your ruling, Sir, and I shall be glad to deal with any amendments that may be received.

The HONOURABLE SIR EDGAR HOLBERTON (Burma Chamber of Commerce): There is one point that is not clear to me personally: supposing this Council passes the Bill with amendments, has the Governor General in his message to us reserved to himself power to pass that Bill as amended, or does his message merely refer to the Bill as it stands at present?

The HONOURABLE THE PRESIDENT: If the Honourable Member means that the passage of this Bill with amendments will necessarily require the Governor General to sign it so as to make it law, it is not so. On the other hand, he has that power.

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### COTTON TRANSPORT BILL.

The HONOURABLE MR. H. A. F. LINDSAY (Commerce Secretary): Sir, I beg to move that this Council do agree to the recommendation of the Legislative Assembly that the Bill to provide for the restriction and control of the transport of cotton in certain circumstances be referred to a Joint Committee of the Council of State and Legislative Assembly and that the Joint Committee do consist of ten members.

I shall be very brief in my explanation of this Bill. Its primary object is to preserve the purity of long staple Indian cotton and to prevent its adulteration with inferior types. This it effects by giving power to Local Governments to notify areas where long staple cotton is grown. It also enables measures to be taken to prevent short staple cotton from

[Mr. H. A. F. Lindsay.]

being railed to a long staple area for reconignment thence under the name of that area as long staple cotton. This would tend to damage the name of that area, and the Bill attempts to check this deterioration and to re-establish the good name of the Indian crop. The Bill is an enabling Bill and Local Governments which desire to take advantage of it are enable to do so with the approval of their respective Legislative Councils. I hope the House will support the motion.

The HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce) : May I ask what this Bill is that the Honourable Mr. Lindsay has been talking about ? I do not see it on the agenda paper.

The HONOURABLE THE PRESIDENT : The Honourable Member was probably not in Council on the last occasion, at any rate at the termination of the proceedings. Had he been so, he would have been aware that this matter was mentioned then and I gave the Honourable Mr. Lindsay permission to move for leave without notice.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadian) : May I say a word, Sir, in support of this motion ? The Bill has been prepared on the recommendation of the Central Cotton Committee. That Committee went into the report of the Indian Cotton Committee which had considered the question carefully. It was after very careful consideration that they suggested that instead of a Bill actually laying down conditions of restriction, an enabling Bill allowing Local Governments to exercise this power should be introduced in the Legislative Assembly. I therefore have great pleasure in supporting this motion.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN (West Punjab : Muhammadian) : As a Zemindar I strongly support the motion because it is very useful for us.

The motion was adopted.

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#### NOMINATION OF MEMBERS TO JOINT COMMITTEE.

The HONOURABLE MR. H. A. F. LINDSAY (Commerce Secretary) : I beg to move that the following members of the Council of State be nominated to serve on the Joint Committee to consider and report on the Bill to provide for the restriction and control of the transport of cotton in certain circumstances, namely :

The Honourable Sir Maneckji Dadabhoy.

The Honourable Mr. Lalubhai Samaldas.

The Honourable Saiyid Raza Ali.

The Honourable Sardar Jogendra Singh, and

The Mover.

The motion was adopted.

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## RESOLUTION *RE* AMENDMENT OF LAND ACQUISITION ACT, 1894.

The HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern : Non-Muhammadan) : Sir, I beg to move that :

“ This Council recommends to the Governor General in Council to take necessary but early steps to have the Land Acquisition Act, No. I of 1894, so amended as to make any Government notification to acquire any land for a public purpose subject to be questioned by the proprietors in a Civil Court for declaration whether the object for which the land is going to be acquired is a public purpose or not.”

Sir, the Land Acquisition Act of 1894 has been provided to acquire land for the purposes of Government, for a local body, for a railway as well as for registered companies. When the land is acquired for any Government purpose, no further inquiry is made. The Collector sends a Report to the Government and they issue a notification to acquire the land. The proprietors have no option to say anything against the acquisition of the land except to raise an objection in respect of the amount of compensation which the Collector awards to them. As regards the acquisition of land for registered companies, the procedure is somewhat different. A preliminary inquiry is to be held by the Collector under section 40 to find out whether the land is actually required for the company or not. In both these cases it is often found that the Local Governments have misused this power. In many cases the Government acquires land for public purposes more than is absolutely necessary, and if a piece of land is required to build a house for a local officer, then any amount of land can be taken without regard to the actual necessities of the case. In big municipalities where lands are acquired for building purposes, so far as my knowledge goes, not more than 3 acres of land is given to each individual to build a house on an average. But, Sir, in some local cases we find that about 10 acres of land are acquired for building a private house for a local officer.

As regards the acquisition of land for registered companies, the notification in the Gazette is the final order, and the owners of the land have no right whatever to have any declaration made in the Civil Court or in any other Court. I will cite a very recent case in my place where 85 acres of land have been acquired by the Government for a registered company, but that land will not be used by the company itself. The company will get possession of the land and will sell it to private individuals for building private shops. I think the Land Acquisition Act is not intended to apply to cases of that description. If a registered company requires any land for its own use for building a factory or for the cultivation of sugarcane or cotton or for any such purpose, there can be no objection, but to acquire land for a registered company, though doubtless it is registered, and to allow it to sell the land outright to individual persons for building private shops is hardly fair on the part of Government, and I do not think Government is justified in acquiring land for such purposes.

Then, Sir, there are many instances where more land is acquired than is absolutely necessary. The second point is about compensation

[Lala Sukhbir Sinha.]

The Collectors award compensation only on the reports of their subordinates like Tahsildars, revenue officers, patwaris, kanungos. The ordinary procedure is that the price is calculated on the revenue.....

The HONOURABLE MR. B. N. SARMA : May I rise to a point of order, Sir? The question of compensation does not arise at all out of this Resolution.

The HONOURABLE THE PRESIDENT : The Honourable Member is perfectly right.

The HONOURABLE LALA SUKHBIR SINHA : Sir, it is a point closely connected with the acquisition of land. I will come to it presently.....

The HONOURABLE THE PRESIDENT : The Honourable Member is straying from the subject-matter of the Resolution. He should confine himself more strictly to the actual motion.

The HONOURABLE LALA SUKHBIR SINHA : I will just come to my point, Sir. The question of compensation goes to the Civil Court, but the question of acquisition of land does not go to the Civil Court. In the case I have just cited, about 85 acres of land have been acquired for which compensation to the extent of Rs. 10,000 only will be given while the proprietors have claimed in the Civil Court Rs. 2,50,000. Honourable Members will thus see how unjust it is to acquire big pieces of land for a nominal price and misuse it afterwards. I know, Sir, as a matter of fact, complaints have reached the Government of India on this point from several quarters, and in the other House a Bill has been introduced by Mr. Ramayya Pantulu in regard to this matter. I have also come to know that the Government of India has realised the necessity for this amendment as well as for other amendments in the Land Acquisition Act of 1894, but so far as I know, this question of the right of proprietors to go to any Civil Court or to any tribunal for a declaration whether the land to be acquired is for a public purpose or not has not been taken into consideration. Therefore I strongly put forward this proposition before this House, that the proprietors of lands should be given a right to go to the Civil Court or to any tribunal to have a declaration made on the question whether the land to be acquired is for a public purpose or not and whether the land to be acquired is absolutely necessary or not. In this Resolution I have put in a suggestion that such cases should go to the Civil Court, but it may be said that by going to the Civil Court it will take a long time and delay will take place. Therefore, some other proposals may be made. It may be that a tribunal may be appointed for this purpose in every district or in every division, one member may be appointed by the Chief Justice of the High Court.....

The HONOURABLE THE PRESIDENT : That is hardly the Honourable Member's Resolution. He is speaking on quite a different matter. What his Resolution recommends is a reference to the Civil Courts.

The HONOURABLE LALA SUKHBIR SINHA : I quite understand it, Sir. My object was that if any difficulty was felt by the Members in accepting my Resolution then I would like to make some alternative in the proposals.....

• The HONOURABLE THE PRESIDENT : Then the Honourable Member should obtain the services of some kind friend to move an amendment. •

The HONOURABLE LALA SUKHBIR SINHA : Sir, my proposition is this, that in such cases where the proprietors of the land differ from the local authorities whether a particular piece of land to be acquired is for a public purpose or not, they should be allowed to go to the Civil Court so that the point may be settled there that the land may or may not be acquired. That is the object of my Resolution, and I place it before the Council for its acceptance.

The HONOURABLE DIWAN BAHADUR S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, here is an attempt to modify the Land Acquisition Act somewhat. The Honourable Mover quoted an instance in which 85 acres of land were acquired for a private company and the company sold it to different individuals for building shops, etc. This is an exceptional case. I have never heard of such cases in my part of the country.

Sir, a Bill to amend this Act is to be brought in by the Government in the very near future. Therefore, there seems to be no necessity to discuss this Resolution, but, if my Honourable friend would press it, I fear that the reference to the Civil Court for a declaration as to the purpose of the acquisition would add to the delay. Ordinarily the Government with its slowly moving machinery takes long to bring this Act into operation in any specific case. I do not think this Council will favour any amendment adding to the delay in respect of the acquisition of land for public purposes, and I would request the Honourable the Revenue Member to bear in mind, when framing the new Bill, how undue delay has already marred the good effects of the Act and how the Act would be of no use if more delay is caused by the nature of the provisions in the Act. I therefore have to oppose this Resolution.

The HONOURABLE SIR EDGAR HOLBERTON (Burma Chamber of Commerce) : Sir, I have myself very often felt from time to time that the details of the Land Acquisition Act were apt to be applied in a way which was apt to cause hardship to the public. It is true that the greatest care is taken by Government before they bring in any measure for acquisition, but, at the same time, in order that their plans shall not be spoiled, they have to act in some secret manner and the fact that certain lands are going to be disclosed can naturally not be published to the world. It is therefore difficult, if not impossible, for Government to discover all the facts about the land which they propose to acquire before they make their declaration for acquisition. It is in fact quite impossible for them to ask the man to whom the land belongs what his ideas of value are and these sort of things. It has therefore occurred to me, when I read the motion brought forward by the Honourable Member that, although we might be told by Government that there were difficulties in accepting his Resolution as it stood, he would certainly have achieved a useful public purpose in bringing to the notice of this Chamber the fact that the Land Acquisition Act, as at present in force, is probably in want of some sort of revision. I notice, in the remarks that fell from the Honourable Mr. Chettiyar that he opposes this Resolution largely

[Sir Edgar Holberton.]

on the ground of delay. Sir, I am rather accustomed to hear this question of delay brought into a very prominent position always when the delay is on the part of anybody but Government. Whereas Government claims in its own departments an almost unlimited privilege in the matter of delay. And I do not think that the mere bald fact that the acceptance of the Honourable Member's Resolution would cause additional delay would influence me in the least to vote against it. I shall be extremely interested to hear from the Member in charge what his legal and other objections are to the Resolution as it stands. As far as I understand the law—and I am very possibly wrong—the fact that Government has published its notification fixes the date on which the price to be paid for the land to be acquired is to be rated. Government would, therefore, run no risk of monetary loss in an increase in the value of land by a little further delay which would be caused by a reference of the case to some Court or other for decision as to whether the purpose for which the land was acquired was really a purpose of sufficient importance to be called a public purpose. In the course of my 20 to 25 years in the East, I have come across cases where to my mind the decision on this point is at least extremely doubtful, and especially is this likely to arise when the Act is applied, as our friend tells us it is, for the benefit of registered companies. The greatest possible care is to be exercised by Government in these cases and, as I have pointed out, they are unable to get at the whole of the facts beforehand because they cannot give away the fact that they are going to acquire and so put the value of the land. It seems to me, therefore, that an extremely useful purpose, on the face of it, is disclosed by this Resolution.

The HONOURABLE MAJOR MUHAMMAD AKBAR KHAN (North-West Frontier Province : Nominated Non-official) : Sir, I rise to support this Resolution. The Resolution is quite reasonable and compatible with justice. The trouble which it seeks to remedy is experienced by all land-owners. Sometimes valuable properties are seized and a notification issues afterwards, but, when it comes to the actual payment of prices, usually a very insufficient compensation is paid. Sometimes the land is taken over for building or for railway lines or for a road, and valuable property is spoiled by digging or incidental processes. I should say it would not be asking too much if the land-owner is given to understand for what object the property is wanted to be taken over, because, if the object is known, then the land-owner will be quite sympathetic in his attitude and he will not feel it so much, as he does at present,—I mean to say if the land is taken over by a simple notification the object is not fully known. If the land-owner feels that the loss is too much he should be given ample opportunities to bring his case before the Civil Court because sometimes a small portion of the property is taken over and by taking over this small portion the whole property is spoiled because it undergoes a depreciation in value. I do not think that, although the Act lays down that the land-owner should always be given compensation, he always gets sufficient compensation, and I don't think the valuation can always be appealed against, but, if he is given a choice to appeal to a Civil Court, I do not think that it will be injurious to anybody, and the Civil Court is always the final authority to say whether the land is



acquired for some public purpose or whether it is not, and when the Court gives a decision, I think the owner will be quite satisfied with it because, as it stands at present, the Land Acquisition officer has too much power and there is nothing in the hands of the Land Acquisition officer to appeal against. But, if the door of appeal is open, I think it will be to the satisfaction of the land-owners and there won't be so much highhandedness as exists at present. With these few remarks I support the Resolution.

The HONOURABLE MR. B. N. SARMA (Revenue and Agriculture Member) : Sir, it will facilitate the discussion of this Resolution if I indicate the position of the Government with regard to it. Honourable Members are aware that Government have under consideration a revision of the Land Acquisition Act. A private Bill has been introduced into the Legislative Assembly for the purpose, and some time before that Bill was introduced, the Government of India had asked for an expression of the views of Local Governments and public bodies as to the desirability of amending the Land Acquisition Act, especially in relation to acquisition for companies. The Local Governments were again addressed on the general question of a general revision, and especially with reference to the Bill which was introduced by Mr. Ramayya Pantulu in the Legislative Assembly. Most of the opinions have been received and the question is receiving the attention of the Government. The Honourable Member's Resolution, I may state definitely, the Government are unable to accept. It does not draw any distinction whatsoever between acquisition for a Government, for a local body, for a railway company, and for a registered industrial company or philanthropic body, which may require the assistance of Government. The Government of India are definitely of opinion that it would be inadvisable, inexpedient and wrong to refer the question as to whether land is required for a public purpose or not, whether such acquisition is needed for Governmental, local board or other purposes.....

The HONOURABLE SIR EDGAR HOLBERTON : Including municipalities ?

The HONOURABLE MR. B. N. SARMA : No. I am drawing a distinction definitely between the purposes of which mention has been made, namely, Governmental, for a local board or for a railway company, and industrial companies.

The HONOURABLE LALA SUKHBIR SINHA : "Local boards" includes municipalities.

The HONOURABLE MR. B. N. SARMA : Yes, it does. Let us take the case of Government. The public possess now far greater safeguards than they ever possessed before. I have not heard during my experience of 30 years as a lawyer any complaints that the Government have misused their powers with regard to acquisition of land in so far as such land was required for Governmental purposes. There used to be discussion, there is a difference of opinion as to whether more land is acquired than is absolutely necessary. But I will indicate that so far as this Resolution is concerned.....

The HONOURABLE LALA SUKHBIR SINHA : May I ask the Honourable Member what are the safeguards ?

[The Honourable the President.]

The HONOURABLE THE PRESIDENT : I must point out that when a Member wishes to get up and the Member in possession of the House remains standing, the other Member should sit down. The Honourable Mr. Sarma has given way now and the Honourable Lala Sukhbir Sinha can speak.

The HONOURABLE LALA SUKHBIR SINHA : May I ask the Honourable Member to mention the safeguards for the proprietors ?

The HONOURABLE MR. B. N. SARMA : This Resolution does not ask that the question whether a particular land is rightly acquired or not should be referred to a Civil Court. This Resolution asks only for a determination by the Civil Court whether the object is a public purpose or not, and therefore, the difficulties that have been mentioned by the Honourable Mr. Sukhbir Sinha that in actual practice more land is acquired than is absolutely necessary are not covered by this Resolution. With regard to the definite object itself, I do not think any Government can acquire land unless the object is practically approved by the Legislative Council which will have to vote the funds. That may not have been necessary hitherto, and it never worked wrongly in practice. But hereafter the public have a safeguard because it lies with them whether to vote the funds or not, and surely, it does not become a Legislative Councillor to say that he will have a Civil Court sitting in judgment over him and deciding whether a purpose which the Legislative Council of the land decides to be a public purpose is a public purpose or not. I am not going into the details of the difficulties of finding out actually what is a public purpose and what is not a public purpose. But apart from that, the Legislative Councils will have their say so far as the Government are concerned, in determining whether funds should be appropriated for the purpose of acquisition for a Governmental purpose. And again, where is the object, so far as a local body is concerned, in asking whether its acquisition for its own purposes is for a public purpose or not ? It stands to common-sense that a local body, when it requires land for its own purpose, and comes to that conclusion by a vote of the majority subject to such general control as the Local Government may possess along with its Legislature, and with the Government's consent clearly it needs no demonstration that it will be for a public purpose. If it acquires land for some other person then it is a different matter. We are not dealing with such cases.

Then as regards Railway companies which were specifically alluded to, I think Honourable Members will recognise that the construction of rail roads is a public purpose. With regard to these and it may be other public utility companies, there can be no question whatsoever as to whether the purpose is a public purpose or not. There will be a difference of opinion whether, in the case of industrial companies, the purpose is a public purpose for which land ought to be acquired or not. On that point Government have an open mind. They have asked for the views of Local Governments. We have not been able to formulate

our views as to whether a Civil Court or a special tribunal or a combination of both or some other machinery would have to be devised for the purpose of impartially adjudging as between the company and the private owner whose lands are proposed to be acquired. From the opinions so far received, Local Governments are definitely and emphatically opposed to the interposition of the Civil Courts with regard to acquisition for the purposes which I have already named. The delays would be interminable and the acquisition would be extremely costly.

The HONOURABLE SIR EDGAR HOLBERTON : Why, Sir ?

The HONOURABLE MR. B. N. SARMA : Take the case of a Railway. Innumerable bits of land would have to be acquired. If it is open to any one of these land owners to take the question before a Civil Court as to whether that land was being acquired for a public purpose or not, the Government or the Railway Company may have to face a thousand, if not a larger number of suits in the Civil Courts as to whether the purpose is a public purpose or not. Those who know something of litigation will clearly realise that from start to finish, it may take something like 10 years for a final decision to be arrived at, and are we to suppose that the Civil Courts are to determine whether a land is required for acquisition by a Railway Company or not and are we to stop the acquisition and construction of the line until the Court decides whether the land is needed or not ? It seems to me that the proposition has

12 noon.

only to be stated to convince the Honourable Members of this Council that it is not a practical proposition. A railway company has a certain alignment ; it frames its budget ; financial sanction is given ; then, if the Civil Court were to say that plot ' A ' in the alignment is not necessary, the whole of it will have to be changed ; a new budget may have to be framed, and it may be that the railway company or the Government would not be able to build that railway at all. The question whether any particular land is necessary for a certain purpose or not does not come strictly within the Resolution, and that is what, I think, the Honourable Sir Edgar Holberton has in mind. That question cannot be referred in any circumstances whatsoever to a Civil Court. Whether plot ' A ' or plot ' B ' is desirable for a certain specific purpose is more a question that can be determined by the Executive Government rather than by any special tribunal. You will necessarily have to propose a commission ; the Civil Court itself cannot be travelling and touring all over the country ; you will have necessarily to propose a commission and that is what is generally done wherever there is a land dispute, and I do not see how the Executive Government would be less fitted for determining as to whether plot ' A ' or plot ' B ' is necessary than a commission appointed by a Civil Court for inquiry and report to itself. However, I think it is unnecessary to go further into this particular aspect of the question because it is not covered by the Resolution itself. I know what is passing through the minds of most Honourable Members, namely, that in particular cases more land is acquired than is necessary ; that the land of owner A is acquired rather than the land of owner B, and that such questions ought to be referred to a Civil Court. I shall meet them

[Mr. B. N. Sarma.]

when there is a necessity for it, but those propositions are not covered now by this Resolution.

Now, with regard to the question as to whether the object is a public purpose or not, I have already indicated that with regard to industrial companies and philanthropic institutions and purposes of that description, the Government have an open mind ; they will consult the advisory body which will be appointed from both the Councils, and with its help lay in the form of a Bill their final views with regard to the modification of the Land Acquisition Act. The Honourable Lala Sukhbir Sinha laid considerable stress upon a recent acquisition in his own province of some 85 acres which he considers does not properly fall within the purview of the Land Acquisition Act. I may remind Honourable Members that neither the Government of India nor Honourable Members have any information on the subject, that the administration of the Land Acquisition Act is a provincial subject, that the question which he has incidentally raised is one that ought to have been raised in his local Legislative Council, and that the Government of India and this Council are hardly in a position or competent to deal with, and express an opinion on, matters of that description. The Government of India would always be willing and ready to examine any complaints which may be reasonably placed before them without offending the object and spirit of the reforms. I think I have a right to complain against what the Honourable Lala Sukhbir Sinha has said, because when he mentioned it the question was under the consideration of the Local Government ; the land holders affected did approach the Local Government ; the matter was under their consideration. There was no formal complaint whatsoever by anybody affected to the Government of India, and I do not think any useful purpose will be served by quoting instances which are under the investigation of Government, against which no complaint whatsoever has been made to the Government of India directly and about which the Council possesses no information whatsoever. And apart from that, if I have been rightly understood, the question as to whether a private body, a registered company should be allowed to acquire land will be a matter which will be subjected to outside scrutiny if our legislative proposals are to come to fruition.

There is, however, one general complaint which the Government of India propose to remedy if possible, namely, that before the Government makes up its mind finally private owners ought to be in a position to formulate and state their objections. I think the Government of India would be willing to consider what steps, what practicable steps could be usefully taken in that direction ; and if without impairing the machinery of the Land Acquisition Act, without rendering it inefficient for the purposes for which it was designed, and without making acquisition more costly, it will be possible for the Government to hear complaints against the acquisition of specific lands before they finally make up their minds, I am sure the Government would move in the desired direction. At present they are of opinion that some opportunity should be given to individuals to state their complaints before a final decision is arrived at by the Executive Government. I

do not think I need say more. With regard to the specific companies the Honourable Member has in view, the matter is under consideration and he would be well advised not to get any formal denial. Safeguards may be after all extremely costly and wasteful, but we hope to provide them in the case of industrial and other companies he has in mind, but with regard to the general proposition that every Government notification should be subjected to the scrutiny of a Civil Court to determine as to whether a purpose is a public purpose or not, Government can never consent.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, I shall restrict myself to the Resolution as it stands, because there has been some digression from it by some Honourable Members as regards the amount of compensation to be paid. Nor shall I refer to the question of the acquisition of land by Government, because as the Honourable Member has said the Government, if they have to acquire land, will have to go to the local Legislatures for money, and it will after all be the local Legislature that will decide whether the acquisition is for a public purpose or not. I shall only refer to the acquisition of land for industrial companies. I may refer Honourable Members to the recommendation of the Industrial Commission. They laid down that if the industry on reaching a certain stage of development is in the interests of the general public, the Local Government can decide that it was for a public purpose. There are other conditions laid down, but I will not tire the Council. I will merely come to the question whether the suggestion made by my Honourable friend, Lala Sukhbir Sinha, is a feasible one. Questions were asked both by him and by the Honourable Sir Edgar Holberton as to why there should be delay if the question whether the acquisition is for a public purpose or not was referred to a Civil Court. I shall try to explain the point by quoting one or two specific instances. I will take the instance of the Hydro-Electric Company which is now in existence for the last ten years. The lands for the Hydro-Electric Company which are to be acquired for the purpose of a dam are situated in one district. The lands through which the wires or the cables have to pass are situated in another district, and it may be that they will pass through three such districts in respect of a company. Is the company which wants the land to be acquired to go and file a suit in the three different Courts of the places through which the wire or cable may pass ? I believe what my Honourable friend says will amount to that.

Now coming to the actual work of the Civil Courts in these matters, it has to decide correctly whether the land to be acquired is for a public purpose or not. Coming back again to the specific case of an electrical company or a feeder railway, the consulting engineers of the railways or of the company may say that it will be to the best interests of the company if the wires or cables or lines are laid in a particular direction. How will a Civil Court or a Judge, however capable a lawyer he may be, be able to decide without expert advice whether the line should be altered or not. Local Governments as at present constituted, with their electrical engineers, irrigation engineers and executive engineers, are in a better position than a Civil Court can ever be to decide whether the land to be acquired is for a

[Mr. Lalubhai Samaldas.]

public purpose or not and whether the lines should be laid in a particular direction or not. These are the two main reasons why this work should not go to the Civil Courts but must be left to the Local Governments.

Then the Honourable Member in charge said that Government would be prepared to consider the question of putting up some authority between the private person whose lands are to be acquired and the Government ; but whether that authority should be, as has been suggested, the local Legislatures or a special tribunal is another question. The Indian Merchants' Chamber and Bureau has sent in a representation pointing out that they would not like that the local Legislatures should be given full authority to decide whether the purpose is a public purpose or not. It is for the Government of India to decide whether the local Legislatures would be the best authorities to decide a dispute between a private party and the Government. I believe, if I understood the Honourable the Member in charge rightly, they would like to have a separate tribunal. Whatever it may be, I think there should be a separate tribunal to protect the interests of private persons whose lands are to be acquired and also of the company in whose interests the lands are to be acquired. So far I am in full agreement with the Honourable Lala Sukhbir Sinha, but the methods he has suggested are not the right methods. Moreover, as the Honourable Member in charge has pointed out, an amendment of the Land Acquisition Act is under consideration. I hope therefore that my Honourable friend the Mover of the Resolution will see his way to withdraw it.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I am in general sympathy with the object of the Resolution moved by my Honourable friend, Lala Sukhbir Sinha. The real thing is that the definition of " public purpose " is defective. I for one would strongly urge that lands should be acquired under the Act for educational as well as industrial purposes as they mean development of the country, but as the Honourable the Revenue Member has explained to the House, the Land Acquisition Act is being revised, I should therefore advise my Honourable friend the Mover to withdraw his Resolution, as this House will have ample opportunity to express its views when the amended Act comes before it for consideration.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN (West Punjab : Muhammadan) : Sir, this is a Resolution on which a man who represents landowners must say something. Unfortunately the Resolution does not contain what the Honourable Mover intended to convey, and I am afraid that a muddle has been made. The manner in which the Resolution is worded has handicapped not only the mover himself but all of us who want to help him. No doubt, the Land Acquisition Act has been working very hard and required a considerable change, but as we have been told that the change is coming, we shall no doubt in due time achieve our object. I was going to ask my friend, ' why not bring in a Bill ' , but a Bill is being introduced now, and I think we should therefore " wait and see."

• The HONOURABLE LALA SUKHBIR SINHA : Sir, my Honourable friend, Mr. Chettiar has pointed out that if such cases will go to the Civil Courts, much delay will take place. I think if he were in the position of proprietors of whom I cited a case and if he had been a proprietor of the land which was going to be acquired, he would have felt it. I am not going to stand in the way of educational or industrial development. We have given lots of land for educational and industrial purposes, but what we object to is this, that if a land is not required for a public purpose, why should agricultural lands be taken from Zamindars and converted into non-agricultural purposes? The Honourable Mr. Sarma said that my Resolution does not cover the question of acquiring land by Government more than is absolutely necessary, but I beg to submit, Sir, that it does cover the question. For instance, if a case goes to the Civil Court and if the Government says it wants 10 acres of land and the proprietor of the land says that only 5 acres will be sufficient, I think my Resolution covers such a case. If such a case goes to the Civil Court, it should be for them to decide as to how much land would be required by Government for a public purpose. The Honourable Mr. Sarma has said that I have quoted an example in which I am personally interested and I should not have done so in this Council. I think all Honourable Members are supposed to quote instances from their personal experience, but if they quote instances on mere hearsay, I think they will have no value. It is not in my personal interest that I ask for a modification of the Land Acquisition Act, and I have cited this instance to show that since this Act is an all-India Act, the Government of India should take care to insert a provision to meet a case of the kind I have pointed out in drafting the Bill.

The Honourable Mr. Lalubhai Samaldas said that no provision should be made which would stand in the way of acquiring lands for educational or industrial purposes. I quite agree with him that lands for a factory or industrial purposes should be acquired, but my point is this that only so much land should be acquired as is necessary for the purpose and not more, and if there is any dispute it should be decided by the Civil Court as to whether the land to be acquired is for a public purpose or not, for it is possible that the company may not use the land for which it was acquired. So in all such cases where there is a difference of opinion, I venture to submit, the matter must go to the Civil Court.

The HONOURABLE THE PRESIDENT : Did the Honourable Member conclude his speech?

The HONOURABLE LALA SUKHBIR SINHA : Yes, Sir.

The HONOURABLE MR. B. N. SARMA : I have nothing more to add, Sir.

The HONOURABLE THE PRESIDENT : The question is :

“This Council recommends to the Governor General in Council to take necessary but early steps to have the Land Acquisition Act, No. 1 of 1894, so amended as to make any Government notification to acquire any land for a public purpose subject to be questioned by the proprietors in a civil court for declaration whether the object for which the land is going to be acquired, is a public purpose or not.”

The Council then divided as follows :

AYES—8.

Akbar Khan, Major.  
Amin-ul-Islam, Mr.  
Chaudhri Lal Chand.  
Holberton, Sir Edgar Joseph.

Kale, Mr. V. G.  
Khaparde, Mr. G. S.  
Sinha, Mr. Sukhbir.  
Umar Hayat Khan, Col. Sir.

NOES—22.

Acharyya Chaudhari, Maharaja S. K.  
Baker, Mr. C. M.  
Barron, Mr. C. A.  
Chettiyar, Mr. S. M. A.  
Cook, Mr. E. M.  
Edwards, Major-General, Sir William  
Rice.  
Froom, Sir Arthur Henry.  
Harnam Singh, Raja Sir.  
Jogendra Singh, Mr.  
Hammond, Mr. E. L. L.

Lalubhai Samaldas, Mr.  
Lindsay, Mr. H. A. F.  
Mitter, Sir Fenode Chandra.  
Monerjeff Smith, Mr. H.  
O'Donnell, Mr. S. P.  
Ram Saran Das, Mr.  
Sarma, Mr. B. N.  
Shah, Mian Sir Muhammad.  
Tekchand, Mr.  
Thompson, Mr. J. P.  
Vasudeva, Raja V.

Zahir-ud-din, Mr.

The motion was negatived.

#### RESOLUTION *RE* RECONSTITUTION OF RAILWAY BOARD.

The HONOURABLE SARDAR JOGENDRA SINGHI (Punjab : Sikh)

Sir, I beg to move the following Resolution :

“ This Council recommends to the Governor General in Council that the recommendations of the Railway Committee be given effect to and that the Railway Board be reconstituted providing for a strong Indian representation.”

Sir, I cannot too highly applaud the very clear and concise report made by the Railway Committee. It is one of the finest reports I have read, frank and straightforward making very clear recommendations. On this Railway Committee we had some of the foremost-railway and business men and they have left their impression on every page of the report. The Committee cost something like five lakhs of rupees, and I suppose the Government would certainly be well advised in taking some action on the report made by such an expert body. Railway administration, and particularly railway enterprise in India, is one of our biggest undertakings. We have nearly 37,928 miles, say, roughly speaking 38 thousand miles of railways. We have put in about 252 million pounds of capital and our annual liability is about 9 million pounds. When we take into consideration the enormous nature of our undertakings, I think the House would be well advised to keep a vigilant eye over these big undertakings which the Government is managing for us not too well. When I say not too well I have the support of the Railway Committee. From 1918 to 1922 the working expenses increased from 29 crores to 50 crores, and now are about 65 per cent. of the income. To the end of last century the railways were a losing concern. The losses came to 51 million pounds and, though within the last 19 years we have made up a little lee-way, still we had about 7 million pounds to make up. We have got to make up 7 million pounds before we can say that our railways have made any return on the money that we have spent on them. Taking a poor country like India, where other developments are still waiting to be taken up, we have to consider whether in creating import and export facilities we are not increasing the burdens of the tax-payer. And if we are so doing, what are the remedies and how can we help



to secure better results for the tax-payer? All the capital has been raised on Indian Revenue. Most of the lines are the property of the State and yet, so far as the management of the railway companies is concerned, Indian opinion has not carried very much weight. In fact, I do not know why, but it very often happens that we consider many other things but leave some of the important things which affect the economic conditions of the country alone. This applies to the public men inside and outside the House. I am not going to read out the whole of the Report but here and there I must mention a few matters; see what the report says about congestion :

“ It will be remarked that the evidence summarised in this Chapter relates to the railways of the north equally with those of the south, of the east as of the west ; that the tale of inability to cope with the traffic relates alike to lines managed through companies and those directly administered by the State ; and that many of the complaints made date from long before the war period, though they have naturally been intensified by the abnormal conditions of recent years. Congestion at some time or at some place is a commonplace of railway management in every part of the globe. But in India for years past it has recurred each season ; it has now become normal and will become permanent unless bold measures are taken to deal with the situation.”

This is what the Railway Committee said nearly two years ago, and we have not yet heard what measures are being taken to deal with the situation by the Government of India. Then again, Sir, in the matter of the administration of the Railways, and the functions of the Railway Board, the Railway Committee have very direct recommendations. About a year ago I put in a question,—and I am not sure whether it was answered—as to the functions and privileges of the Railway Board. They still remain a mystery so far as we are concerned. As a Minister of an Indian State I came across one part of the duties of the Railway Board, and that was to protect vested rights, and in protecting vested rights, the Railway Board is systematically hampering railway expansion and railway development.

I will not deal with the question of State-managed and company-managed railways, because, truly speaking, there are no company-managed railways, because companies do not own railways. They are merely managing agencies and as mere managing agencies they have fulfilled their purpose. As the matter, I understand, has been engaging the attention of the Advisory Committee, I need not dwell on it. But I should like to hazard a suggestion, so far as India is concerned. We are all of opinion that the railways should be managed by the State and the Railway Board reconstituted according to the recommendations of the Railway Committee providing for a fairly large Indian representation. For instance, we can have an Indian as Commissioner of Finance, Director of Accounts and the Director of Traffic, which would be a very great improvement indeed. But, on the other hand, there is no doubt that private enterprise is always more economical, more helpful and better, and if I may hazard a suggestion, our Finance Department, might consider, whether it would not be better to sell out one or two of our lines to an Indo-European company and let them manage these—we can retain the option of purchase. Properly, to my mind, it appears that we would get better income from a company-managed railway through income-tax and super-tax than we are likely to get from a State managed railway. Our

[Sardar Jogendra Singh.]

experience of the past years, of more than half a century, proves that we have worked our railways at a loss—even the companies.

I will say no more about the superior control of the railways. All these matters are summarised in Chapter VII of the report, and I think I would be tiring the Council if I recite all the recommendations made by the Railway Committee. I would strongly emphasise that the recommendations of the Railway Committee have been made after very careful consideration by experts who have experience of railway management, not only in India but elsewhere, though some of the men who manage Indian Railways have disagreed with the view of the majority. But in some cases the main recommendations of the Committee have been agreed to by all the members of the Railway Committee. Taking into consideration the enormous liability of nearly £9,000,000, it would be wise to scrutinise the recommendations of the Railway Committee.

Finally, one of the most important recommendations of the Railway Committee is the formation of a new Ministry of Transport, and I think this new Ministry of Transport is absolutely needed if we are going to help trade and commerce in this country. We hear, Sir, a great deal about retrenchment that is in the air. What we want to hear is something more about the developments. We do not want to lose our technical men in the Irrigation, in the Forests, in the Railways and in Education, because, if we set our eyes to the development, we are more likely to increase Indian revenues than by merely retrenching and abolishing offices filled by technical experts who are likely to bring in more revenue. Give half a million to Mr. Clutterbuck and he will bring a tremendous new revenue. Most of the Members of the House, I am sure, have read the recommendations which are mentioned in Chapter VII, and it is these recommendations which I mean should be carried out by the Government of India. I will not take up more time of the House till I have heard what the Member for Commerce has to say in reply to my Resolution. Sir, I move the Resolution that stands in my name.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN (West Punjab, Muhammadan) : Sir, I strongly support the Resolution.

The HONOURABLE MR. S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, the Honourable Mover of the Resolution has spoken in great detail in support of his Resolution. I shall only make one or two observations. Sir, in paragraph 142 of their report the Acworth Committee say :

“ The Indian public is deeply and justifiably incensed by the conditions to which both passengers and traders have long been subjected ; and it is desirable that their representatives should at the earliest possible moment be acquainted with the steps that are being taken for the redress of their grievances.”

Sir, the grievances have been recorded in the Committee's report. They have been inquired into most deeply and a certain number of recommendations to remove the defects have been made. To give early relief to the sufferers, that is, the Indian public, a speedy acting on the suggestions is necessary. All these days, Sir, we have had, it seems to me, no sign of prompt action to give effect to the recommendations except in the formation of the Central Advisory Council, not exactly on the lines of the Com-

mittee's recommendations. The recommendations being the most authoritative opinions on the subject deserve to be adopted.

Sir, one of the recommendations, the most important of such recommendations, is the one relating to the reconstitution of the Railway Board. In the new Railway Commission of six members including the Member for Communications, it is but right that there should be a strong representation of Indians who would know the difficulties of the Indian travelling public and the Indian trading communities, who would present the Indian point of view and get their grievances redressed. Therefore, Sir, I give my hearty support to the Resolution of my Honourable friend, the Sardar.

The HONOURABLE LALA RAM SARAN DAS (Punjab : Non-Muhamadan) : Sir, I rise to support the Resolution which has been so ably moved by my friend, the Honourable Sardar Jogendra Singh. I presume the recommendations of the Central Railway Advisory Committee are before the Government of India. As far as this House is concerned, I would strongly request the Council to support this Resolution so as to voice its feeling on this very important subject. I agree with the Honourable Mover fully so far as the principle goes ; but as regards details I shall leave them for future consideration. The reconstitution of the Railway Board is an urgent thing and I advocate a strong Indian representation on it.

The HONOURABLE MR. K. V. RANGASWAMI AYYANGAR (Madras : Non-Muhammadan) : Sir, I think it was in the year 1920 that a Resolution of mine to the effect that an Indian Member should be made to sit on the Railway Board was brought in in the Imperial Legislative Council. But it was not moved on account of all the Resolutions being withdrawn in protest against the Punjab Resolution being disallowed in this Council. There I wanted to point out that there should be an Indian Member on the Railway Board. Sir, in the Montagu-Chelmsford Report we come across a paragraph where it is said that Indians shall be associated in all the departments of the Service. I attach more importance to the Indians being associated in the departments than their being made Members of Council. I do not imply by that that I undervalue the services of the Indian Members of Council, but I am of opinion that we gain more experience by being associated in the departments. There are now committees appointed to associate ourselves with the Government of India in all its departments : and I think that if an Indian is made a Member of the Railway Board, there is more room for doing public good and for gaining knowledge, than by our association with the department by being merely members of a committee. So many points will be decided if an Indian Member sits on the Railway Board. As my friend, the Honourable Mr. Chettiyar, pointed out, there are the questions of the convenience of the travelling public and that industrial institutions would gain much by the association of an Indian with the Railway Board to press the Indian point of view. Besides, there are the questions of the provision of retiring rooms, waiting rooms, reservation of carriages for different sections of the community, the kind of dining accommodation and lavatories for Indian gentlemen, the fixing of rates for goods made in India with a view to encourage Indian industries, and the

[Mr. K. V. Rangaswami Ayyangar.]

question of priority of sanctioning new lines with a view to Indian interests. Much has been said of the frontier railway, etc., and if an Indian gentleman is to sit on the Railway Board, I think India will have justice. I also wish to emphasise the point of view raised by the Sardar Sahib regarding the protection of Indian labour on Indian railways. The whole of India is served by the Indian Railways, and I think it is just and proper that an Indian Member should sit on the Railway Board. I want to emphasise this point of view in this Resolution and I support it.

The HONOURABLE MR. V. G. KALE (Bombay : Non-Muhammadan) : Sir, this Resolution raises a number of important issues and makes only one specific recommendation, namely, that the Railway Board should be reconstituted providing for a strong Indian representation. I am not quite in favour of all the recommendations of the Railway Committee being given effect to. With recommendations like the one concerning the separation of the general budget of the country from the railway budget, which recommendations are rather controversial, I would not agree in the interests of the general taxpayer, and I would not give to the railways the revenue which is being received to-day for the relief of the tax-payer. If the recommendations of the Railway Committee were to be adopted in this connection, all the profits that are likely to be derived from the railways will go as capital into the railways themselves, and in this way the long-suffering tax-payer who has contributed so largely to the extension of railways, will obtain no relief. But I am entirely in favour of the specific recommendation concerning the reconstitution of the Railway Board. I think the Railway Board, as it is at present composed, is not known for its efficiency, and I might describe the Board as a fifth wheel in the coach of railway administration. I do not think that the country receives the full value of the money that is spent on the maintenance of the Railway Board. The Railway Board can certainly, with very great advantage, be reconstituted. Many of the officers of the Railway Board might be put on to do actual work in the districts rather than sit in Simla and Delhi, and I think a lot of money is being wasted on the Board which can be saved to the tax-payer. I want, therefore, very strongly to support this suggestion, namely, that the Railway Board should be immediately reconstituted, and the other suggestions which are now being considered by the Central Railway Committee or the Railway Board and the Government, must also be given effect to at an early date. But if the Honourable Mover wants that the recommendation of the Railway Committee in connection with the separation of the two budgets and the allocation to the railways of all the profits earned by them, if he wants to press that recommendation, I regret that I cannot lend my support to him.

The HONOURABLE MR. H. A. F. LINDSAY (Commerce Secretary) : Sir, Mr. Innes desires me to express his great regret that he is unable to take part in the discussion to-day ; he is detained elsewhere on urgent business which he cannot very well miss.

I am perfectly certain, Sir, that he would at once take strong exception to the criticisms which have been levelled at the administration of the Railway Board in the course of the discussion to-day. The policy

of the Railway Board is the policy of the Government of India. It is admitted that owing to circumstances which are beyond the control either of the Railway Board or of the Government of India, the condition of the Indian Railways has suffered serious deterioration. The House is well aware that the reasons for the deterioration are entirely due to the circumstances of the war, and that had it not been for the war we should have been able to maintain an adequate number of sheds and sidings and to provide the necessary rolling stock so as to keep our railways up to requirements. But all these renewals and replacements require money, and the primary difficulty is the financial difficulty. The Honourable Mover is a businessman himself, and he knows that railway development like industrial development, is dependent on capital, and I challenge him to show that the Railway Board have not done their very best with the capital at their disposal. The Honourable Mover also suggested that Indian opinion has not carried much weight in the formation and development of railway policy of Government.

The HONOURABLE SARDAR JOGENDRA SINGH : With regard to third class passengers.

The HONOURABLE MR. H. A. F. LINDSAY : Third class passengers are being given every attention as Honourable Members will have seen from the answer recently given by the Commerce Member to a Resolution on the subject. The Government of India have paid full attention to well informed criticism, both Indian and European, and the House will also have noticed that the Acworth Committee itself contained a strong and well informed Indian element.

I now turn, Sir, to the main principles underlying this Resolution. In the first place, I want to make it quite clear that the Government of India attach the very highest importance to the recommendations of the Acworth Committee. Those recommendations have received their very careful consideration ever since the Report was received. It would take too long to recount all the recommendations which have been considered and the action taken upon them. But I need only remind the Council that, as the result of the Committee's Report, the arrangements for railway finance, more particularly for the financing of capital expenditure, have been placed upon a far more satisfactory footing than ever before. A Central Advisory Council has been established, and at the last meeting of that Council, such important questions as State *versus* Company management, Local Advisory Councils, Branch Line policy, the separation of the railway and general budget, etc., were discussed. I mention these facts in order to assure the Council that the Government of India are treating the recommendations of the Acworth Committee with the respect which both the intrinsic importance of the recommendations and the reputation and the authority of the Committee demand.

I now turn to the precise points taken up in the Honourable Sardar Jogendra Singh's Resolution. The Resolution deals particularly with the reconstitution of the Railway Board. As he has explained, the Acworth Committee put in the forefront of their recommendations a proposal that a separate department should be formed in the Government of India to deal with Communications generally and that a separate

[Mr. H. A. Lindsay.]

Member of Council should be placed in charge of this new department. This question has been very fully considered, but I think that the House will agree with me that there are obvious objections to increasing the number of Members of Council just as the Inchcape Committee is about to sit, and the Government of India have come to the conclusion that until they are in possession of the report of that Committee, it is quite impossible for them to create an additional Member of Council in order to take charge of a new Department of Communications.

As regards the Railway Board itself, the Government of India recognise that there is a very strong *prima facie* case for reorganizing it on the lines of the Acworth Committee's report. They cannot at present commit themselves to the precise form which this reorganization should take. They cannot commit themselves to the acceptance here and now of the precise recommendations made by the Acworth Committee, but they do realise that the Railway Board, as at present constituted, is over-burdened with the ordinary day-to-day work of the current administration. The statistics of correspondence given by the Acworth Committee are in themselves sufficient to establish this point. The Acworth Committee mention that in the year 1920-21 the Railway Board had to deal with no less than 71,000 receipts and issues and there can be little doubt that we do not get the full value out of the experience of the President and the Members of the Board. Their business, as the Committee rightly points out, should be mainly to think, to watch and to plan. It should be their business to shape the views of the Government of India in the larger matters of railway policy and of railway administration, and if they are tied to their desks day after day with a vast number of cases which, if they are not routine cases, are at any rate not as a rule, cases of major importance, it is obvious that there must be a waste of power. A further disadvantage is that they are unable sufficiently to tour. *Prima facie*, as I have said, therefore, there is a case for the reorganization of the Board itself—a reorganization which will not only strengthen the Board, but will alter its constitution on the lines recommended by the Committee. There is also much to be said for giving the Board the best advice possible on technical railway matters, and this the Acworth Committee propose to do by attaching to the President of the Board's office a larger number of technical officers than that office contains at present. All this the Government of India fully admit, but the Acworth Committee themselves admit that reorganization on these lines will involve a recurring expenditure of from £25,000 to £30,000, that is a recurring expenditure of Rs. 4 or Rs. 5 lakhs per annum. Financial considerations of this kind must obviously be taken into account at the present time, and though the Government of India recognise that it will be false economy either to stunt or to curtail the activities of the highest railway authorities in India by refusing them the *personnel* and staff which they require, they have come to the conclusion that before these recommendations can be given effect to, at any rate in their entirety, they ought to wait for the Inchcape Committee's Report. The Inchcape Committee proposes to inquire into the possibilities or retrenchment in the Railway Board as in the other offices of the Government of India. When their report is

received, the Government of India hope that the way will be clear for the reorganization and the reconstitution of the Board. They do not say that they may not carry out some of the recommendations at once, but in the main they feel that before the proposals of the Acworth Committee can be fully given effect to, they ought to be in possession of the Inchcape Committee's Report. That is the position of the Government of India to-day, and I hope that the Council is satisfied that the delay in giving effect to this part of the Acworth Committee's report is not in any way due to lack of consideration on the part of the Government of India. In view of what I have said, perhaps the Honourable Mover will see his way to withdraw his Resolution. If he decides to proceed to a division, the Government will take no part in that division, and if the House accepts the Resolution introduced by the Honourable Mover, Government will pay due attention to the views of the Council of State.

There is one point which I have omitted to state. I notice that the Honourable Sardar Jogendra Singh's Resolution as it is worded might be open to the construction that the Railway Board should be reconstituted in order to provide for the due representation of Indians on the Board. If that is the Honourable Mover's intention, all I can say is that there is no authority for this proposal in the Acworth Committee's report. The Railway Board is almost entirely a technical Board. The only qualification for promotion to the Board can be experience in, and knowledge of, railway administration in its different branches, and that is the only criterion which the Government of India can admit to be a proper criterion. They cannot admit that Indians should be appointed to the Railway Board, merely because they are Indians. If the Honourable Mover means that an Indian, who is otherwise qualified for inclusion in the Board, should not be excluded merely because he is an Indian, then I hope that I need not assure the House that there is no fear of any such exclusion.

The HONOURABLE SARDAR JOGENDRA SINGH : Sir, in the first place I must take up what Mr. Kale said about the recommendations of the Railway Board regarding finance. The exact recommendations of the Railway Committee are given in paragraphs 74, 76 and 127. They say :

" We recommend that the Finance Department should cease to control the internal finance of the railways ; that the railways should have a separate budget of their own, be responsible for earning and expending their own income, and for providing such net revenue as is required to meet the interest on the debt incurred or to be incurred by the Government for railway purposes ; and that the railway budget should be presented to the Legislative Assembly, not by the Finance Member of Council, but by the Member in charge of Railways."

Mr. Kale objects to this recommendation on the ground that it takes away from the House the use of railway income for public purposes. I do not think that is what the recommendations of the Railway Committee mean. What they mean (as any business man would understand it) is handing over a certain amount to a committee of experts to spend as they like and raise what profit they can earn for the country. To my mind, if the recommendations of the Railway Committee were carried out, we would get a better income than we are likely to do under the present system. Mr. Kale might take into consideration the fact that during nearly a century of railway management while the Finance Department has con-

[Sardar Jogendra Singh.]

trolled the budget of the Railway Department, they have only incurred losses. They have made no profits on the whole and, as they have failed in the beginning, possibly the Acworth Committee was quite justified in making a definite recommendation that the finance of the railways would be better managed under a different arrangement.

Having explained that, Sir, I come to Mr. Lindsay's speech and the very sympathetic reply that he has given. But, regarding the Railway Board, I might point out one or two things. The first thing I should like to say is that it has not been as efficient as Mr. Lindsay would make out, and, if it is the policy of the Government of India, then I might say that the Government of India also has failed in carrying out these large enterprises. I will give you one instance, of how the Railway Board works. They started the Itarsi-Nagpur Railway, a line of 238 miles. It was begun in 1908 and has not yet been completed. It has taken 18 years, and thus, on a capital of 3½ crores, piled up interest to the extent of nearly a crore and a half. That is what the Railway Board has done in the way of speeding up the building of railways. Lord Curzon, within five years while he was here, built 6,000 miles of railway. I would ask Mr. Lindsay to point out what the Railway Board has done in speeding up railway construction since Lord Curzon left the country.

Then again, we come to the question of the congestion of traffic. There again, there are so many restrictions that you cannot move traffic easily from one place to another. Then again, if you bring any projects before the Railway Board for the construction of feeder or other lines, they point out that it would be interfering with the sphere of influence of some Railway or the other. They have marked out different spheres of influence, so that you cannot make any new railways without infringing on these. That is what the Railway Board has done since it started. I think Mr. Lindsay, when he stands up to reply, will be able to show the speeding up that has taken place since the Railway Board came into being. Then again, Sir, he said that the Government sympathised with the idea of starting a transport ministry, but were very much hampered with the idea of increasing the number of Cabinet Ministers. I think everyone in this House and outside knows that with transferred subjects some of the Ministries that now exist need not exist at all; it will be possible for instance to change the Ministry of Education and set up a new Ministry of Transport.

The HONOURABLE THE PRESIDENT : I would point out to the Honourable Member that in the Government of India there are no Ministers as yet.

The HONOURABLE SARDAR JOGENDRA SINGH : I mean Members, Sir. I am quite sure my friend Mian Sir Muhammad Shafi would be as able to manage the Ministry of Transport as the Ministry of Education. I think, Sir, it would be a very good thing if the change was made.

Then we come to the question, Sir, of financial considerations. Financial considerations sometimes, and particularly when you have any development ideas, appear to overwhelm the Government of India. I



think the Government of India would do well to be a little more enterprising and organise its resources instead of keeping back developments which would increase India's prosperity. The Acworth Committee considered the whole question and they say—give the Railways this much money and railway management will become so efficient that it will be more than a hundred times better than it is now. If you went to a business firm with a recommendation of that kind, they would immediately accept it and they would consider it not only worth doing but they would take it up at once. But our Government is always slow and disinclined to take action so far as big enterprises are concerned.

Then, again, Sir, this question of the reconstituted Railway Board and the representation of the Indian element on it, Mr. Lindsay pointed out that the Government would welcome Indians on the Board. I am using the word "Board", Sir, because it is familiar to everybody. But we have business men very much in touch with traffic; we have also engineers—we had at least one of eminence, Rai Bahadur Ganga Ram,—and there are others who would come forward to help with their advice. Indians have proved quite good wherever they have been tried. And I have no doubt that, when it comes to the Indianisation of the Railway Board, or whatever it is going to be called, they will make themselves good. It is of paramount importance to the country, Sir, that such a big enterprise, which nearly contributes one-third of the revenues or more, should be put on a proper footing and I am not prepared to withdraw the Resolution, because, if this House gives a clear lead, it will only help the Government to carry out the recommendations which they say they are considering very favourably.

The HONOURABLE THE PRESIDENT : The question is :

“ This Council recommends to the Governor General in Council that the recommendations of the Railway Committee be given effect to and that the Railway Board be reconstituted providing for a strong Indian representation.”

The motion was adopted.

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#### RESOLUTION *RE* COMPILATION OF STATISTICS RELATING TO THE ECONOMIC, SOCIAL AND CONSTITUTIONAL PROGRESS OF INDIA.

The HONOURABLE MR. V. G. KALE (Bombay : Non-Muhammadan) : Sir, I beg to move :

“ This Council recommends to the Governor General in Council that an early inquiry should be made into the existing Government system of collecting, compiling and publishing statistics relating to the economic, social and constitutional progress of India with a view to ascertain what improvements, if any, are desirable and practicable in the same in order to enhance their public utility.”

Sir, it is not necessary for me to demonstrate what is the importance of statistics to legislators. Statistics are becoming more and more the raw material of the laws that we pass in our legislative bodies. Statistics are also necessary for the consideration and the formulation of policy. As the country is advancing, the value of statistics is growing in importance. We have had before us a number of legislative measures in which a knowledge of the social and economic conditions of the country was absolutely essential for enabling us to make up our minds with

[Mr. V. G. Kale.]

regard to them. For example, we have had to consider a number of Resolutions and Bills concerning labour ; and many other questions of a similar character are cropping up from day to day. Honourable Members are asking Government to furnish them with information and statistics relating to a variety of subjects from day to day. This appetite for information and statistics goes to show how necessary it is, for fruitful criticism and constructive work, that Government should systematically compile and publish statistics for the benefit of the public. At the present time, no doubt, Government has been publishing statistics from various departments, and some of them, I must frankly admit, are very highly useful. For example, there is the Annual Trade Review, the Report on Currency Operations, the Census Report and the Railway Administration Report, and numerous other publications are being issued by the departments themselves, which are of the greatest value and benefit to students and generally to those who take any interest in the progress of the country. The Director of Statistics likewise publishes a number of very useful volumes, for example, financial statistics, commercial statistics, agricultural statistics, and statistics relating to various departments of administration : so that the Department of Statistics is publishing a series of blue books containing figures and facts, and the notes prefacing these statistics are very suggestive and very informing to the public. The Industrial Commission considered this question of statistics from the point of view of the convenience of men engaged in industries and commerce. They were of opinion that industrial and commercial statistics should be published by one particular department of the Government of India, and that those statistics should be commented on only by experts. This recommendation of the Industrial Commission was perfectly reasonable. There are statistics of two classes. There are statistics required by men of commerce and industry. These fall into one category. There are statistics of another class which are required by the general public, for example, statistics such as those published in the Annual Statistical Abstract, giving comparative figures for a number of years, say, 10 years. Such a statistical abstract will be very helpful, for example, to Members of this House. Oftentimes questions have arisen with regard to certain facts and figures in this House itself and there has been a conflict of opinion. In the last Session there was some divergence of view as regards the exports of certain raw materials. Had Honourable Members got a statistical abstract in their hand, giving all sorts of information relating to public questions, that would have been of the greatest convenience.

Attached to the report of the Industrial Commission is a note by Mr. Findlay Shirras which gives a brief account of the manner in which statistics have been published relating to India. The India Office has been publishing statistics for over half a century. It was in 1871 that the first Director of Statistics was appointed in this country, and the first incumbent of the post was the late Mr. W. W. Hunter. He made a statistical survey of the whole British Empire beginning with the year 1869. The next stage in the development of the collection, compilation and publication of statistics arrived when it was desired to make statistics, such as they were published, more intelligent and uniform. Each Department was publishing its own statistics, but it was necessary to place them

upon a uniform system, and Mr. O'Connor was appointed Director General of Statistics. His publications and his comments on the statistics were, however, independent and did not commit Government for anything. This system was continued till the year 1905. In that year, the Statistical Department became a part of the office of the Director of Commercial Intelligence. Then comes the next change, which came on the 1st of April 1914, when the Department of Statistics was created under an independent Director. A combination of commercial intelligence and control of statistics was, by experience, discovered to be unsuccessful. In the early part of my speech I said that the commercial community requires statistics of a particular type. Information regarding the condition of the crops, for instance, has to be supplied promptly so as to be useful to men engaged in industries and commerce. The general public, however, requires information covering long periods. The statistics in their case must also be comparative, and must cover a very wide ground. The combination, therefore, of the Commercial Intelligence Department, which had to do a special kind of work, and the Department of Statistics, which required a particular type of officer to perform that function, was found to be inconvenient and unsuccessful, and the Secretary of State agreed to the separation of the two Departments, and an independent Director of Statistics was appointed in the year 1914. Now, we are once more upon a change, and we have the Department of Commercial Intelligence making the Director of Statistics subordinate to him. I want that the Statistical Department should be run and controlled by a person or persons who is or are scientific statisticians. The Industries Commission gave the opinion that so far as the men of industry and commerce were concerned, the Director of Statistics need be only a compiling officer. His work was purely arithmetical work, adding and subtracting and compiling. But I think that in the preparation and presentation of general statistics of a country relating to the economic conditions, relating for example to the Census, where very important conclusions have to be drawn, the statistics have to be collected and compiled in an intelligent manner, so that useful lessons might be learnt, might be taken to heart and might be given effect to for the development of the country. This being the difference between the nature of the work pertaining to commercial intelligence on the one side and general statistics of public interest on the other, I think it is necessary that the position accorded to the Director of Statistics should be the position and status of independence and importance. If I am correct in my information, a conference which took place in London of Imperial Statisticians laid down the principle that the work of statistics must be done by expert statisticians and economists and not by mere arithmeticians, mathematicians and compilers. If statistics are to be of any value, if they are to be intelligently compiled and if they are to be usefully published, men who are appointed to perform this task and who control these statistics must be expert statisticians. In other countries, Sir, this work is done by experts who are not mere compilers and mathematicians. In our country it is a matter for regret that we lag far behind in the race of the publication of statistics. In other countries not only are statistical abstracts published, but there are official year books published from year to year. I wonder why the Government of India should not publish in this country its own annual statistical abstract. Why should we rely upon

[Mr. V. G. Kale.]

the India Office ? Why should we first take all our information and statistics from this country to London and then have it published there ? The Government of India should assume control of this publication of statistics for the benefit of its own people. They ought to go further and they might, with advantage, copy the example of other countries. If Honourable Members were to see the official year books that are published in the self-governing dominions and in the United States of America, they will realize how extremely useful they are, and after looking at them, they would certainly express a desire that they should be supplied with annual official year books of that character in their own country. I have recently seen the official year book published in New South Wales for 1920 containing 757 pages. It has been issued by the Government statistician ; it is not left to a mere compiler to prepare and publish it. It is published from the Bureau of Statistics, Sydney, in September 1921, and the contents of that official year book had already been published in 18 parts which were issued as they became available from the printer to render them of immediate service to the public. Then in New South Wales there is a Statistical Register independently published by the Bureau along with the year book. I have also seen the official year book for the Union of South Africa, containing 975 pages for 1919-20. I have likewise seen the official year book of the Commonwealth of Australia issued by the Commonwealth Statistician containing as many as 1234 pages. A small dominion like New Zealand has got its own official year book containing 414 pages ; and the quarterly abstract of the Union of South Africa is issued by the office of statistics. From the illustrations I have given, it will be observed how necessary it is that this work of compiling and publishing statistics should be systematically organised and how it should be handled by experts who are statisticians themselves, who realise the importance of statistics and know to what uses those statistics are likely to be put and should be put. As I said in the beginning, the importance of statistics is very great, and I have personally derived the greatest benefit from some of the publications issued by the Government of India and by the Director of Statistics ; for example, the Review of the Trade of India issued by my Honourable friend opposite has been of very great use to students of public questions. We want more reports of this character ; we want more information of this type given to the public from year to year. All relevant statistics relating to the economic, social and political progress of India should be made available as promptly as possible. I, therefore, appeal to the Government of India to take in hand very seriously this question of making an inquiry into the present system and seeing whether it is not possible to introduce improvements in it. With these words, I commend my Resolution to the House.

The HONOURABLE MR. H. A. F. LINDSAY (Commerce Secretary) :  
 Sir, I believe that this is the first discussion on this important subject of statistics which has taken place in the House, and I congratulate the Honourable Mr. Kale on the interest he has taken in this subject and on the skilful way in which he has handled it. I can assure him that Government fully recognise the importance of bringing their statistical system up-to-date,

Statistics are, however, a dangerous weapon to use. We are in the ordinary course of things exposed to criticism from two opposite sources. There is the man in the street who talks of statistics in the sneering crescendo of "lies, damned lies and statistics"; and there is the other extreme of the man who believes in them too whole-heartedly and bases too many conclusions upon insufficient material. Between both those extremes we wish to steer an intermediate course, and that leads me to the first point which my Honourable friend made, the question of entrusting statistics to an expert statistician. That is certainly the ideal that Government have always placed before themselves, and which they will continue to keep before them. The recommendations of the Industrial Commission were not to the effect that the compilation of statistics should be taken away from the expert statistician or should be entrusted to an inferior order of creature, but that they should be left in expert hands, the explanation of the statistics being entrusted to the industrial or agricultural expert concerned. The Honourable Mr. Kale is quite right in his account of the development of the Department of Statistics. It was separated off in 1914 and it is proposed to re-amalgamate it again as a branch of the Commercial Intelligence Department. But let me reassure my Honourable friend on one point. It does not mean that the Department of Statistics is to be under the control of anybody but an expert statistician. His name will still remain "Director of Statistics," and it is simply one of the lamentable results of the retrenchment scheme that we have to double up two Departments.

Another point on which I think I can reassure the Honourable Mover is that statistics are not left, once they are launched, to sail themselves, so to speak, over the intellectual sea of public discussion. They are carefully controlled and revised from time to time, and I should like my Honourable friend to see the large number of letters received by the Director of Statistics which contain suggestions for improving those statistics in different ways, and to realise the very great attention that is paid to these letters and the action that is constantly taken to maintain our statistics up-to-date. Let me give as one example, in a few words, the development of the statistics of trade. In 1905 under the orders of Lord Curzon's Government a committee was appointed to inquire into the system of collection, compilation and publication of trade statistics; and that committee went very carefully into the whole matter and organized the system which with some modification exists at present.

But the point I wish to make is that those modifications did occur as modifications were required from time to time. Thus in 1912 the whole system of classification of goods was revised and brought up-to-date. In March 1920 it was found that trade statistics had gone considerably beyond the standard quantity required and a rigorous pruning occurred. These may be regarded as war accretions. They were statistics compiled under the necessities of the war, and they were removed when their need was no longer felt.

My last point on this subject is that the examination is being carried still further. In fact the very inquiry which my Honourable friend asks to be made is being made at present. The Director of Statistics and the Director General of Commercial Intelligence are putting their

[Mr. H. A. F. Lindsay.]

heads together and are trying to see, not only (though primarily) in the interests of retrenchment but also in the interests of efficiency, whether something cannot be done to improve the scope and volume of our Statistics.

Here I wish to offer one suggestion, namely, that the scope of this inquiry should be restricted to the Department of Statistics. The Honourable Member has shown admirable self-restraint in proposing an inquiry and not a full-blown Commission or Committee. I think he has perhaps not quite realised how wide is the ground which the inquiry would cover if he did not restrict it in the way I suggest. There are, as he knows, a large number of departments of the Government of India, even apart from any question of the statistics of the Local Governments. Each of those departments, and its subordinate departments, produce annual reports with annual statistical returns, illustrating their own activities. Take, for instance, the Commerce Department alone. We have our Administration Reports on the activities of the different ports. The trade of each port is reviewed annually. There is the Review of Trade to which the Honourable Mr. Kale has referred. There is an Annual and a Monthly Statement of Customs revenue. All these reports cover a wide field, and they are illustrations selected from one department alone. Now if the inquiry is confined to the Department of Statistics, I think it will serve my Honourable friend's purpose just as well, because that Department does publish statistics which are the cream, so to speak, of the statistics of the various departments of the Government of India. It is a compact series,—I have the list in front of me—a series of 44 publications. I think that ought to be enough any way with which to start an inquiry of this kind, and it covers the whole range, practically, of activities relating to trade, commerce, agriculture, joint stock companies, education, and finance. In fact it covers a very wide range of subjects. As I say, the inquiry which the Honourable Mover recommends has already been started and will, we hope, have fruitful results.

One word more, Sir. This inquiry will also cover the proposal that the Statistical Abstract of British India should be published in India in future and should be a handy volume. Instead of spreading itself out into five volumes as it does at present, it will be produced in one compact volume. So I think we have been able to meet the Honourable Member already on more points than one.

**THE HONOURABLE THE PRESIDENT :** The Honourable Member has not yet moved his amendment.

**THE HONOURABLE MR. H. A. F. LINDSAY :** I beg to move, Sir, as an amendment that for the words "existing Government system of" the words "*system at present followed by the Department of Statistics in*" be substituted.

**THE HONOURABLE MR. V. G. KALE (Bombay : Non-Muhámmadan) :** Sir, as the Honourable Mr. Lindsay has gone a long way in meeting my wishes with regard to the request I made in my Resolution asking Government to inquire into the compilation and publication of all statistics, I do not think that I shall be serving any useful purpose by pressing the whole of the Resolution. Why I made my Resolution so very comprehensive was

that the Government of India is becoming, day after day, a kind of Federal Government, and as we in the Central Legislature require information pertaining to the provinces it will be necessary in the immediate future to compile the statistics so as to enable us to know what is going on in the provinces. For example, some questions have been put in this Council concerning labour strikes. Government were not in a position to furnish that information. Now that information may perhaps pertain to the provinces and may be collected by the Local Governments, as in Bombay, but if we want to have a correct idea of the industrial situation in the country, it is necessary for us to know how many strikes have taken place, how they have been settled and so forth in the country as a whole. Then again, in reply to another question it was pointed out that the Government had no power to extract the necessary information from private citizens. It will be worth Government's while to consider, if they do not possess the power, whether this power should not be taken. Such power, I think, has been taken in the case of Census Statistics, and it is equally necessary in the case of industrial statistics. I want to suggest to Government to consider whether it will not be possible for them to take that power if important statistics are required and cannot be obtained in the ordinary way. However, in view of what the Honourable Member opposite has said, namely, that the whole question is being considered and my Resolution should be confined only to the Department of Statistics, I have no hesitation in accepting his amendment. With these words, Sir, I commend to the Council the amendment and the Resolution as modified by it.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : There is just one word, Sir. We are in need of accurate information in India. For instance, if we look at the figures, we may find that possibly something like 13 million quintals of wheat are available for export, but if we ask the Honourable Mr. Sarma he will put no faith in the figures collected by the department over which he presides. In these circumstances, Sir, it is very necessary that we ought to have some figures which can be depended upon both by Government and the public.

The HONOURABLE THE PRESIDENT : The question is that in the Resolution under consideration the following amendment be made :

“ That for the words ‘existing Government system of’ the words ‘*system at present followed by the Department of Statistics in*’ be substituted.”

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is :

That the following Resolution as amended be adopted :

“ This Council recommends to the Governor General in Council that an early inquiry should be made into the *system at present followed by the Department of Statistics in* collecting, compiling and publishing statistics relating to the economic, social and constitutional progress of India with a view to ascertain what improvements, if any, are desirable and practicable in the same in order to enhance their public utility.”

The motion was adopted.

The Council then adjourned till Eleven of the Clock on Tuesday, the 26th September, 1922.

**ERRATUM SLIP.**

For item 4 of the Table of Contents of Vol. III, No. 12 of the Council of State Debates and for the subject on page 439 and the heading on pages 441 and 443 *substitute* the following :

“ Procedure in regard to Bills which Governor General has certified.”