

Monday, 21st February, 1927

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**THIRD SESSION**

OF THE

**SECOND COUNCIL OF STATE, 1927**



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# COUNCIL OF STATE.

Monday, 21st February 1927.

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

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## MEMBER SWORN.

The Honourable Maharaja Sir Muhammad Ali Muhammad Khan, of Mahmudabad, K.C.S.I., K.C.I.E. (United Provinces East: Muhammadan).

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## POSTPONEMENT OF QUESTIONS.

THE HONOURABLE THE PRESIDENT: I see that there are some 18 or 20 questions on the paper to-day. In view of the fact that the House has other important business\* to dispose of, business which under the rules must be disposed of to-day and cannot be adjourned, I suggest to the House that to-day's list of questions be postponed till to-morrow's meeting. Assuming that no Honourable Member has any urgent question among those on the paper to which he desires an answer immediately, I propose to follow that course.

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## STATEMENT RE SETTLEMENT REACHED AT THE CONFERENCE RECENTLY HELD IN SOUTH AFRICA.

THE HONOURABLE KHAN BAHADUR SIR MUHAMMAD HABIBULLAH SAHIB BAHADUR (Member for Education, Health and Lands): Sir, in connection with the Round Table Conference which met in Cape Town in December and January last, the Union Government of South Africa have informed us that the tentative agreement which had been reached between their representatives and those of the Government of India has been ratified by them (Applause), and that they propose to announce the same to their Parliament to-day. The desirability of making a simultaneous announcement in both the countries will be apparent, and as it was one of the agreements between the leaders of the two delegations, I crave your permission to make the statement to-day on behalf of the Government of India. I will, Sir, in the first instance, read out the communiqué which is being issued to-day. It runs as follows:

*Communiqué.*

1. It was announced in April, 1926, that the Government of India and the Government of the Union of South Africa had agreed to hold a Round Table Conference to explore all possible methods of settling the Indian question in the Union in a manner which would safeguard the maintenance of western standards of life in South Africa by just and legitimate means. The Conference assembled at Cape Town on December,

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17th and its session finished on January, 12th. There was, in these meetings, a full and frank exchange of views which has resulted in a truer appreciation of mutual difficulties and a united understanding to co-operate in the solution of a common problem in a spirit of friendliness and good-will.

Both Governments re-affirm their recognition of the right of South Africa to use all just and legitimate means for the maintenance of western standards of life.

2. The Union Government recognise that Indians domiciled in the Union, who are prepared to conform to western standards of life, should be enabled to do so.

3. For those Indians in the Union who may desire to avail themselves of it, the Union Government will organise a scheme of assisted emigration to India or other countries where western standards are not required. Union domicile will be lost after 3 years' continuous absence from the Union, in agreement with the proposed revision of the law relating to domicile which will be of general application. Emigrants under the assisted emigration scheme who desire to return to the Union within the 3 years will only be allowed to do so on refund to the Union Government of the cost of the assistance received by them.

4. The Government of India recognise their obligation to look after such emigrants on their arrival in India.

5. The admission into the Union of the wives and minor children of Indians permanently domiciled in the Union will be regulated by paragraph 3 of Resolution XXI of the Imperial Conference of 1918.

6. In the expectation that the difficulties with which the Union has been confronted will be materially lessened by the agreement now happily reached between the two Governments, and, in order that the agreement may come into operation under the most favourable auspices and have a fair trial, the Government of the Union of South Africa have decided not to proceed further with the Areas Reservation and Immigration and Registration (Further Provision) Bill.

7. The two Governments have agreed to watch the working of the agreement now reached and to exchange views from time to time as to any changes that experience may suggest.

8. The Government of the Union of South Africa have requested the Government of India to appoint an agent in order to secure continuous and effective co-operation between the two Governments."

I am laying on the table of the House an annexure to the announcement I have just made. This annexure gives in greater detail the terms of the agreement which has now been reached between the Government of India and the Government of the Union of South Africa. The following comments might help Honourable Members to follow the annexure more easily.

The first point is the declaration by the Union Government that they firmly believe in and adhere to the principle that it is the duty of every civilised Government to devise ways and means and to take all possible steps for the uplifting of every section of their permanent population to the full extent of their capacity, and accept the view that, in the provision of educational and other facilities, the considerable number of Indians who remain part of the permanent population should not be allowed to lag behind other sections of the population. This should dispel any apprehension that the "maintenance of western standards of life" does not include the uplifting of the Indian community to those standards. As earnest of their good-will, the Union Government propose (1) to advise the Government of Natal to appoint a Commission on Indian education; (2) to give attention to the provision of suitable hostel accommodation for Indians at the College at Fort Hare and to consider sympathetically other proposals to increase the attractiveness of that institution for them; and (3) to investigate the position in respect of sanitation and housing in the "peri-Durban" area where the problem is understood to be acute and, possibly, elsewhere,



and to consider in consultation with local authorities the most appropriate means of dealing with the situation, including (i) the formation of Advisory Committees of representative Indians; and (ii) the limitation of available municipal land sold with restrictions under the Durban Land Alienation Ordinance, No. 14 of 1922, and the Natal Boroughs and Township Land Ordinance, No. 5 of 1923. These Ordinances enable municipalities in Natal to transfer, with the consent of the Administrator, land belonging to them under restrictive conditions of a racial character as to occupation or ownership. It is hoped that, as a result of this investigation, the principle of consultation between the Indian community and local bodies in matters of municipal administration affecting the former may be established, and more municipal land of a suitable nature be made available for Indians for housing purposes. Industrial laws, like the Industrial Conciliation Act, 1924, and the Wages Act, 1925, will be administered so as to enable Indian employees in industry to take their place on the principle of equal pay for equal work.

The second point is the new scheme of assisted emigration which the Union Government propose to organise for those Indians who may desire to avail themselves of it. Honourable Members are doubtless aware that section 6 of the Union Act, No. 22 of 1914, known as the Indians Relief Act, provides for the grant of free passage from any port in the Union to any port in India to any Indian who makes a written request for such passage and signs as a condition of the grant of such request a statement that he abandons on behalf of himself and his wife and all minor children (if any) all rights possessed by him or them to enter or reside in any part of the Union, together with all rights incidental to his or their domicile therein. This is an essential feature of the existing scheme of voluntary repatriation. Under the new scheme, Union domicile will not be lost except by three years' continuous absence from the Union in conformity with a proposed revision of the law which will be of general application, and an assisted emigrant wishing to return to the Union within the period of three years will be allowed to do so on repayment of the bonus and cost of passage including railway fares which he may have received on his own behalf and, if he has a family, on behalf of his family. Any objection that there might be to the existing scheme of voluntary repatriation on the ground that it requires of Indians wishing to avail themselves of it an irrevocable surrender of their Union domicile is thus removed. Another feature of the new arrangement is that each person of 16 years or over will be free to choose for himself whether he will or will not avail himself of the scheme of assisted emigration. At present for purposes of voluntary repatriation from South Africa, 21 years is treated as the age of majority and the Union domicile of a person under that age has to be signed away by the father, if the latter wishes to avail himself of a free passage to India. It will be observed that the agreement provides for schemes of assisted emigration to be organised "to India and other countries". The phrase is intended to cover the emigration of Indians who may return to India from South Africa, to the Federated Malay States and to Ceylon under schemes of emigration from India to those countries which are now operative.

The third point is that, in regard to the entry into the Union of the wives and minor children of Indians resident in the Union, the principle underlying the Reciprocity Resolution of 1918 will be maintained, and that

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the prohibition of the entry of this class of persons after the 1st August, 1930, which was contemplated in the Areas Reservation and Immigration and Registration (Further Provision) Bill, is no longer envisaged.

The fourth point is that, in order to ensure effective and continuous co-operation between the two Governments, the Government of the Union of South Africa have requested the Government of India to appoint their agent in the Union. Direct relations between the two Governments will be permanently established if the Government of India accept the proposal which is now receiving their earnest consideration.

Lastly, to inaugurate under the most favourable auspices the agreement which has now happily been reached between the Government of India and the Government of the Union, the latter have decided not to proceed further with the Areas Reservation and Immigration and Registration (Further Provision) Bill. Honourable Members who have studied the provisions of that measure will appreciate with what relief this decision will be received by the Indian community in South Africa.

It is unnecessary to attempt an elaborate appreciation of the results of the Conference, of which a brief summary has been given. Honourable Members must judge for themselves. In doing so it is hoped they would bear in mind the position as it was a year ago. The Government of India are of opinion that the agreement reached is eminently satisfactory, and they have therefore ratified it. They are confident that the considered judgment of the Indian Legislature will be in favour of the action they have taken.

As leader of the delegation it is embarrassing for me to have to give expression to the appreciation of the Government of India of their work. Honourable Members will, however, I hope, acquit me of any spirit of vain glory or immodesty and recognise that, in what I am going to say now, I am acting merely as the spokesman of Government. They feel that the terms of the agreement reflect the utmost credit on our delegation which negotiated it. The Government and the people of India owe a great debt of gratitude to the whole delegation for the sagacity, skill and expedition with which they accomplished a difficult and delicate mission. Nor must we forget the services of the Paddison Deputation whose admirable preliminary work made a Round Table Conference possible. But it will be readily admitted that these satisfactory results could not have been secured unless the Government of South Africa had entered the Conference in a spirit of friendliness and good-will. In the reception which they gave to our delegates to the Conference, and in the courageous and sympathetic statesmanship which their representatives brought to bear on the solution of the Indian problem in South Africa, we have received unmistakable proof of the earnest desire of the Government and people of the Union to cultivate friendly relations with the Government and people of India. The agreement which has to-day been announced to the House is a convincing proof of their good-will. Let us treat it as such and endeavour to make it the basis of lasting friendship between India and South Africa. It is not suggested that all outstanding questions between the two countries have been solved. But the Government of India are confident that, if the spirit that prevailed at the recent Conference at Cape Town endures, ultimate solution of the Indian problem in South Africa in a manner that will be satisfactory and honourable to both countries is assured. (Applause.)

*Annexure containing summary of the conclusions reached by the Round Table Conference on the Indian question in South Africa.*

I. *Scheme of assisted emigration.*—(1) Any Indian of 16 years or over may avail himself of the scheme. In case of a family, the decision of the father will bind the wife and minor children under 16 years.

(2) Each person of 16 years of age or over will receive a bonus of £20 and each child under that age a sum of £10. No maximum shall be fixed for a family. A decrepit adult who is unable to earn his living by reason of a physical disability may, at the discretion of the Union authorities, receive a pension in lieu of, or in addition to, the bonus. The pension will be paid through some convenient official agency in India out of a fund provided by the Union Government to such amount as they may determine. It is expected that the amount required will not exceed £500 per annum in all.

In every case the bonus will be payable in India on arrival at destination or afterwards, through some banking institution of repute.

(3) Free passage, including railway fares to port of embarkation in South Africa and from port of landing in India to destination inland, will also be provided.

(4) Emigrants will travel to India *via* Bombay as well as *via* Madras. Emigrants landing at Bombay will be sent direct from the ship to their destination at the expense of the Union Government.

Survey and certification of ships shall be strictly supervised and conditions on the voyage especially in respect of sanitary arrangements, feeding and medical attendance, improved.

(5) Before a batch of emigrants leaves the Union, information will be sent to some designated authority in India at least one month in advance giving (a) a list of intending emigrants and their families, (b) their occupation in South Africa and the occupation or employment which they would require in India, and (c) the amount of cash and other resources which each possesses. On arrival in India emigrants will be (i) advised, and so far as possible, protected against squandering their cash or losing it to adventurers, and (ii) helped, as far as possible, to settle in occupations for which they are best suited by their aptitude or their resources. Any emigrant wishing to participate in emigration schemes authorised by the Government of India will be given the same facilities in India as Indian nationals.

(6) An assisted emigrant wishing to return to the Union will be allowed to do so within three years from the date of departure from South Africa. As condition precedent to re-entry, an emigrant shall refund in full to some recognized authority in India the bonus and cost of passage including railway fares received on his own behalf and if he has a family, on behalf of his family. A *pro rata* reduction will, however, be made (i) in respect of a member of the family who dies in the *interim* or a daughter who marries in India and does not return, and (ii) in other cases of unforeseen hardship, at the discretion of the Minister.

(7) After expiry of three years Union domicile will be lost in agreement with the proposed revision of the law relating to domicile which will be of general application. The period of three years will run from the date of departure from a port in the Union and expire on the last day of the third year. But to prevent the abuse of the bonus and free passage by persons who wish to pay temporary visits to India or elsewhere no person availing himself of the benefits of the scheme will be allowed to come back to the Union within less than one year from the date of his departure. For purposes of re-entry within the time limit of three years, the unity of the family group shall be recognised though in cases of unforeseen hardship the Minister of the Interior may allow one or more members of the family to stay behind. A son who goes with the family as a minor, attains majority outside the Union, marries there and has issue will be allowed to return to South Africa, but only if he comes with the rest of his father's family. In such cases he will be allowed to bring his wife and child or children with him. But a daughter who marries outside the Union will acquire the domicile of her husband and will not be admitted into the Union unless her husband is himself domiciled in the Union.

II. *Entry of wives and minor children.*—To give effect to paragraph 3 of the Reciprocity Resolution of the Imperial Conference of 1918, which intended that an

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Indian should be enabled to live a happy family life in the country in which he is domiciled, the entry of wives and children shall be governed by the following principles :—

- (a) The Government of India should certify that each individual for whom a right of entry is claimed, is the lawful wife or child, as the case may be, of the person who makes the claim.
- (b) Minor children should not be permitted to enter the Union unless accompanied by the mother, if alive, provided that—
  - (i) the mother is not already resident in the Union, and
  - (ii) the Minister may, in special cases, permit the entry of such children unaccompanied by their mother.
- (c) In the event of divorce no other wife should be permitted to enter the Union unless proof of such divorce to the satisfaction of the Minister has been submitted.
- (d) The definition of wife and child as given in the Indians Relief Act (No. 22 of 1914) shall remain in force.

III. *Upliftment of Indian community.*—(1) The Union Government firmly believe in and adhere to the principle that it is the duty of every civilised Government to devise ways and means and to take all possible steps for the uplifting of every section of their permanent population to the full extent of their capacity and opportunities, and accept the view that in the provision of educational and other facilities the considerable number of Indians who remain part of the permanent population should not be allowed to lag behind other sections of the people.

(2) It is difficult for the Union Government to take action, which is considerably in advance of public opinion, or to ignore difficulties arising out of the constitutional system of the Union under which the functions of Government are distributed between the Central Executive and the Provincial and minor local authorities. But the Union Government are willing :—

- (a) in view of the admittedly grave situation in respect of Indian education in Natal, to advise the provincial administration to appoint a provincial commission of inquiry and to obtain the assistance of an educational expert from the Government of India for the purpose of such inquiry;
  - (b) to consider sympathetically the question of improving facilities for higher education by providing suitable hostel accommodation at the South African Native College at Fort Hare and otherwise improving the attractiveness of the institution for Indians;
  - (c) to take special steps under the Public Health Act for an investigation into sanitary and housing conditions in and around Durban which will include the question of—
    - (i) the appointment of Advisory Committees of representative Indians; and
    - (ii) the limitation of the sale of municipal land subject to restrictive conditions.
- (3) The principle underlying the Industrial Conciliation Act (No. 11 of 1924) and the Wages Act (No. 27 of 1925) which enables all employees including Indians to take their places on the basis of equal pay for equal work will be adhered to.
- (4) When the time for the revision of the existing trade licensing laws arrives, the Union Government will give all due consideration to the suggestions made by the Government of India Delegation that the discretionary powers of local authorities might reasonably be limited in the following ways :—
- (1) The grounds on which a licence may be refused should be laid down by Statute.
  - (2) The reasons for which a licence is refused should be recorded.
  - (3) There should be a right of appeal in cases of first applications and transfers, as well as in cases of renewals, to the courts or to some other impartial tribunal.

IV. *Appointment of Agent.*—If the Government of the Union of South Africa make representations to the Government of India to appoint an agent in the Union in order to secure continuous and effective co-operation between the two Governments, the Government of India will be willing to consider such a request.

## GENERAL DISCUSSION OF THE RAILWAY BUDGET.

**THE HONOURABLE THE PRESIDENT:** The Council will now proceed to the general discussion of the Budget, Part I. I would remind the Council that power vests in the Chair to fix a time-limit for speeches. This is a power that has not hitherto been exercised by the Chair, and I hope the discussion will be so conducted to-day that it will not be necessary for me to break that record.

**THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (Punjab: Nominated Non-Official):** Sir, I congratulate the Railway Department on the Budget which was the only solution under the circumstances owing to various difficulties. I stand to make no speech, and I do hope that the House will try to follow this example.

**THE HONOURABLE MR. P. C. DESIKA CHARI (Burma: General):** Sir, the Railway Budget this year requires greater scrutiny than in previous years because we find that the Railway Finance Committee of the other House had not sufficient time to examine the details of the Budget as they used to have in previous years, but I believe this matter may be left to the Members of the other House who will have the privilege of voting on the grants to scrutinise the Budget more carefully. I find the request of this House to issue the statement of expenditure and revenue in foolscap size has been complied with, and we are thankful to the Department for having given us a statement in that form. We are also thankful to them for providing us with maps and diagrams which enable us at a glance to find out the proposed construction during the next five years and the length, cost and the programme which is set out year by year during the next five years. I admit some credit is due to the Railway Board for a better and more efficient service of the Railway Administration, but I do not readily admit the claim made on behalf of the Railway Administration that they have made the best use of the available resources in the interest of the large number of users of railways. I believe such a claim can only be sustained if the interests of the bulk of the population, the agriculturists who are concerned more with the carrying of passengers and trade over short distances, is best served. Unless these people get full benefit of reduction of fares and freights and unless the third class passengers in general get a considerable reduction of fares on all lines, I think it cannot be said that the resources now available have been made the fullest use of in the interests of the users of railway lines.

Now, coming to the question of the loss during the current year by floods, I should like to invite particular attention to the damages caused to the extent of 30 lakhs in Burma. No doubt this year the devastation owing to floods was higher and the dislocation of traffic was for a longer period than usual, but this difficulty owing to floods is an early feature in Burma and I think it is the duty of the railway administration to look to it properly and see that proper engineering skill is brought into full play in remedying the defects once and for all, so that the weak points may be strengthened by proper bridging and other arrangements. Unless this is done we are likely to have losses of this kind every year. It will be an interesting study to note the value of stores and unfinished works that have been washed away year after year, and I think it will pay to have a greater watch and ward on the operations during the floods at all these weak points.

[Mr. P. C. Desika Chari.]

I am gratified to note that there is a saving of 20 lakhs of rupees in the cost of administration and similar savings in repairs and maintenance, and it is also a matter for congratulation that further economies to the extent of a quarter of a crore per annum may be expected in the near future, and I hope no pains will be spared in finding out all avenues of economy and retrenchment in the matter of administration, so that we may have greater funds for utilisation on the improvement of the railways and in various other ways. As regards the capital expenditure we find that more use is being made of contractors. I hope these contractors are all Indian contractors and no attempt is being made to replace the old Indian contractors in railway construction by other contractors. I am also glad to notice that special amenities have been provided for third class passengers and that a sum of 2½ crores has been provided for this purpose, but I am sorry to note that Burma, so far as I can see, does not get any share out of this special provision of 2½ crores for third class passengers.

Coming to the question of new construction, I find that so far as Burma is concerned, out of a total mileage of 1,620 for the whole of India, Burma alone will have 650 miles of new construction. But a feeling of despondency comes over me when I see that though a vast amount is spent in Burma on new construction, the Indo-Burma connection, which is a necessary corollary to the principle of connecting up Presidency towns with each other, has been relegated to the background indefinitely. I find from the speech of the Honourable the Chief Commissioner for Railways here and the speech of the Honourable Member for Commerce in the other House that the Local Government of Burma has been a good deal congratulated on its co-operation with the Central Government. I hope this co-operation has not got anything to do with the putting off of the Indo-Burma connection indefinitely. On the other hand, I find that the Government of India in co-operation with the Burma Government have been pushing on with an international connection, that with Siam, through country which is much more difficult. To use the expression used in the explanatory memorandum, the line is taken through an inhospitable country interspersed with mangrove swamps with an extraordinarily difficult engineering feat of having to tunnel through a mile and a quarter of a solid granite mountain, added to which is the difficulty of bridging several creeks which lie in the way. In the face of all these difficulties I cannot understand how this international connection is preferred to the Indo-Burma connection, which is more necessary. Also I find that the Siam connection is likely to result in a considerable loss of revenue every year, as it is stated that for the first 125 miles alone there will be a loss of over 14½ lakhs every year. In these circumstances, I cannot but regret the statement that the Local Government has co-operated with the Central Government and the Railway Administration here without any effect being given to the long-promised Indo-Burma connection. I have no hesitation in saying that the same tender feeling with the Government of India entertains towards British shipping companies, which has been the cause of its not giving effect to the Marine Inquiry Committee's Report, has been the cause of putting off indefinitely the railway connection between India and Burma. For I find in the case of some of these railways in Burma, especially the Pwinmana-Megwe Railway, the interests of the capitalist exploiters are put in the forefront. That is an oil area and considerable care is taken to push

through this railway line, and though it is stated that this line will possibly be a link in the connection between India and Burma, I am not disillusioned about the intentions of the Government of India. This Siam connection is also in the interests of the exploiters of timber and rubber and tin and other minerals. A statement, not exactly of course to that effect, is made in this connection at page 32 of the explanatory memorandum.

As regards railway workshops I see that the Railway Administration has decided upon the modernisation of its workshops. It has been found that many are out of date and new workshops are to be built more useful for the purpose for which they are intended. In this connection I see that many locomotives and wagons may not be needed in the immediate future, and I think this would be a splendid opportunity to so modernise our workshops in the light of experience in England and in other countries as to have the plant necessary to make our own locomotives and wagons and other materials which at present are imported. If this is done I believe that a large proportion of our unemployment problem would be solved.

As regards recruitment, Indians in Burma with superior qualifications in the higher subordinate staff, I think, deserve to have their claims considered and adequately recognized by the promotion of those who have served a good portion of their lives on the railway to the ranks of officers. I do not think there is much hope for these people so long as the Burma Railways continue to function in Burma, and I hope that the present management, being so unprogressive and so unresponsive to popular demands, may not have a long existence there. I believe the contract with the Burma Railways is shortly to expire and I hope and trust that the Government will lose no time in taking over the management without giving a further lease of life to the present Company which I would characterise as an unrepentant sinner which is not likely to improve in any way. No time should be lost in replacing it.

I want to say one word about the Indianization of the Railway Board. The State, through the Board, is the owner and manager of the Indian Railways and should place the management in the hands of Indians who would know best where the interests of the country lie. Repeated demands have been made in this connection, but I regret to note that no attempt has been made to introduce an Indian element into the Railway Board. This House will not rest content until one Indian at least is appointed in the near future to the Railway Board.

As regards the Rates Tribunal, I believe it has not got much work because people have no faith in the working of an Advisory Committee and a Statutory Committee would be a better thing. It will be looked upon with greater favour and will get some work to do. And then, seeing that the Rates Tribunal has not got much to do, it may be desirable to widen the scope of its activities by empowering the Tribunal to arbitrate in all matters of dispute between labour and the various railway administrations. I find a statement is made that local Advisory Councils have done excellent work in various parts of the country, and I would suggest that Members of the Central Legislature living in the various localities may be included in the local Advisory Councils so as to enhance the usefulness of these Councils. I believe the effect of the adoption of a 16-penny ratio has been a good deal exaggerated. But it would be out of place for me to go into details on this question of ratio, and I hope

[Mr. P. C. Desika Chari.]

Honourable Members who are in favour of a 16-penny ratio will not be alarmed at the results which are put forward—results which, I think, are to some extent vitiated by *suppressio veri*, and *suggestio falsi*.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhaminadan): Sir, it is a matter of satisfaction to us that the Railway Board and the various Railway Administrations have succeeded in effecting improvements in services, in the coaching stock, in yards, in workshops, in the reduction of passenger fares, in the decrease of claims for compensation and in reduction in store balances. For these the Railway Board and the Railways concerned deserve credit. I also welcome the new constructions programme which will lead to the further development of our country; but along with this, I wish the Railways to give first preference to Indian material and Indian manufacture in their requirements, and that steel and other sleepers should not be purchased from abroad until there is an actual dearth of timber sleepers in India. As regards the present convention of a contribution to the general revenues of the country, I suggest that until these new constructions begin to pay their way, this convention ought to be revised. With due deference to the Railway Board, I must say that their new policy of putting engineering officers in charge of the Stores Department is a wrong one. As the engineers, civil or mechanical, are the chief consumers of the stores, it is not the right policy that a member of their services should be in charge. I deplore the fact that there has been an excess purchase of 90,000 wagons entailing an expenditure of about 15½ crores which has saddled this country with a yearly charge for interest of about Rs. 77½ lakhs. I should like the Chief Commissioner for Railways to throw some light on the question whether this proposition was not well explored before the orders were placed. As regards the so-called shortage of wagons after the war, in my opinion, as I have often said, it was also due to three causes. One cause was that owing to the war, the vacuum brakes of a great number of wagons were removed and were sent abroad and this reduced the load of trains and thus effected a shortage in wagons. Another cause was that a great number of such wagons were used as godowns at various junction stations owing to there being insufficient accommodation in goods sheds. I see, Sir, that the Bengal and North-Western Railway have proposed a yearly dividend of 16 per cent. recently. Although our State Railways are earning a return of 4.77 per cent., the Bengal and North-Western Railway is making a profit of 16 per cent. I cannot understand why affairs are so, and why the Railway Department of the Government of India do not pay attention to the various complaints against the Bengal and North-Western Railway in their irresponsiveness to the popular demands. A little explanation from the Chief Commissioner will illuminate matters.

Sir, there was one extra statement with the usual publications that we got with the Railway Budget, and that is a note by the Financial Commissioner for Railways on the effect of the ratio of 1s. 4d. on the Railway Budget. I cannot sufficiently deplore the decision of the Government to have the question of the ratio considered in connection with the Budgets this year, but as enough has been said on this subject in another place, I will not take up the time of this House by further remarks in that connection. The supreme importance of



having the ratio considered by the Legislature in an impartial and calm atmosphere, with the only motive that the ratio settled upon is for the ultimate good of the country from every possible point of view, necessitates that this House should not be influenced by the considerations put down in the Financial Commissioner's memorandum—considerations which I would, with all deference but at the same time with a conviction, call very much exaggerated considerations favouring the 1s. 6d. ratio; and I regret the complete silence regarding the salutary effects of the 1s. 4d. ratio on the volume of goods and passenger traffic. It is conceded on all sides that the 1s. 4d. ratio will encourage exports and to that extent it cannot be doubted that it will bring more traffic to the railways. If you look at the Railway Board Reports for the past two years, you will find enough said therein to justify this remark. The undoubted fact that the 1s. 4d. ratio will make more rupees (over 30 crores yearly) available to the cultivators and therefore increase their purchasing power must also conduce to better trade in imports and I understand that even in Manchester the opinion is now gaining ground that Manchester's prosperity as far as the Indian piece-goods market is concerned is very much dependent on the prosperity of the Indian cultivator. Here then comes the benefit to the Indian Railways by the correct ratio being put on the Statute-book, and there is no doubt that this correct ratio can only be the ratio which has been in force from 1898 almost up to 1924, with the exception of about 18 months or so, when a rate higher than 1s. 4d. gold prevailed under circumstances which I need not relate to-day. Since October 1924 of course Appendix 98 to the Royal Currency Commission's Report tells us how 1s. 4d. gold was exceeded by arrangement and by intention by the Government of India.

To deal with the figures given in the memorandum under reference I think that the only figures that can be admitted are those given in paragraphs 2 (a), (d) and (e), totalling in all about Rs. 1 crore and 7 lakhs.

Regarding the figures given in paragraph 4 which are made out to amount up to Rs. 5 crores 11 lakhs, I am afraid that none of these are figures that can be accepted. I wish to ask whether the question of adjustment can extend over a period of five years, and if it is claimed by Government that adjustments are complete to 1s. 6d. within less than two years, it is surprising to see the Financial Commissioner refer to the items under 2 (b) and (c) or 4 (c) and (d). Regarding 4 (a), where an increase of at least 2½ crores is indicated in the memorandum on wages, I really wonder if the Government of India contend whether the wages of Indian Railways are just enough, or whether they hold that the increases given since 1914 on the Railways are really substantial, and almost without precedent in any other Department of the Government as far as labour is concerned. For the reasons which I have mentioned above I feel that no justification can be seen in the increases sought to be made out under 8 (a) and 9 (a). What the Financial Commissioner overlooks is that with the correct ratio on the Statute-book, and the standard of monetary payment left at the figure which has been prevalent for about 25 years, the country and the trade of the country will return to normality, and in fact will be given the last chance of escaping a serious strain. I feel confident that if Government did not insist on their prestige, but regarded facts squarely in the face and took the correct attitude, which

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Indian public opinion wants them to, the Railways of India would within a few months be blessed with surplus budgets. If, on the other hand, efforts are made to force the 1s. 6d. ratio on the Statute-book despite all the warnings that are being sounded from various quarters, I, at any rate, will not be surprised to see a few more walls in Railway Budgets presented to this House in years to come. I do not wish to labour this point at this juncture, as this House will have a say in connection with the ratio at a later date. But I cannot help expressing my honest convictions as stated above.

I have been urging, and the Stores Purchase Committee has also urged, that the stores for Indian Railways should be purchased on the rupee basis. Not much attention has been paid to this matter. In connection with the Kumbh Mela which is approaching now, I wish to suggest that return tickets at double single fares available for a month should be issued so that the pilgrims may not have to undergo the worry and trouble of purchasing their tickets for return journeys at Hardwar. In this connection I wish to point out to the Railway Administration that at these big congregations epidemics generally break out and cholera is one of the principal epidemics which often breaks out at such huge gatherings. I would suggest that the Railway Department ought to have within distances of 200 miles on Hardwar a number of temporary hospitals to treat cases of cholera from the trains. I also take this occasion to suggest to the Railway Administration that third class return tickets along with intermediate and higher class return tickets ought to be made available for the chief pilgrim stations at concession rates in order to encourage better traffic and more returns. At the present time at important junctions like Lahore, Multan, Rawalpindi and other places the quarters for the running staff of railway employees are not sufficient, and I draw the attention of the Railway Board to this important matter. In big cities, although accommodation can be had on rent from private sources, the rents are so high that the employees of the railway with their present salaries cannot afford to pay them. I also wish to point out that on the roadside stations the arrangements for lighting the platforms are very poor. The electric lighting of stations by incoming and outgoing trains has recently been introduced on certain trains and on certain Railways, but that does not very much help the passengers. The passengers on roadside stations come at least a few hours before the trains arrive and they are without sufficient lights until the trains arrive. So there have been cases of theft on the platforms and though the attention of the Railway Department was drawn to this matter last year, it has not met with any effect. In these days when the cost of living has gone up and when there is an increase in the fares I would suggest that there should be no luggage charge on account of the bedding of the third and intermediate class passengers. What I mean is, that while weighing the luggage the bedding of the third and intermediate class passengers should be free as in the case of the upper class passengers. I would also suggest that at important stations the booking windows for lady passengers ought to be separate. I find that the rush at important stations is so great that it is very inconvenient for ladies to buy their tickets. This year I am glad to see that a good provision has been made for sanitation, but in this connection I want to draw the attention of the Railway Board to the filthy condition of the permanent way at important stations like Lahore, Delhi, etc.

If you go in the morning to these stations you will find that there is an offensive smell owing to the presence of night soil on the permanent way adjoining the platforms. I wish that some action should be taken to remove this nuisance, and I would suggest that by the platforms pucca pavements be provided and additional staff of sweepers be employed to avoid the present filthy and insanitary state of affairs. In the third class railway carriages at present the lavatory arrangements are poor. The ordinary iron sheet platforms and the ordinary iron funnels are provided, and the rush to use these lavatories is so great that there is always a stinking smell from the lavatories. I would suggest that enamelled iron should be used and that more sanitary and better equipment should be provided. We are indebted to Sir Clement Hindley for his frank statement regarding bridge design, locomotives, wagons, workshops reorganisation, etc., which bring to light the deplorable state of affairs which existed in the management of the Railways during the last 50 or 75 years. I sympathise with the Railway Board that after all in 50 or 75 years they have now found how things have been managed in the past. As regards workshop repairs to wagons and locomotives I wish to cite what Sir Clement Hindley himself has said :

“ Briefly it has been found possible by adopting certain methods to do the heavy repairs to a locomotive which formerly took on the average 140 days in something like 50 days. Whereas wagons were frequently in shops for 50 to 60 days it has been proved to be possible to do the necessary repairs in 6 days. Coaching vehicles which were formerly 70 days under repairs can, in some of our workshops, now be completely overhauled in 28 days.”

It is to be deplored that the Railway Board and the Administrations did not properly examine this slack state of affairs. Was that not responsible for the shortage of wagons? Certainly it was. Lately, at the request of the Railway Finance Committee, the Raven Committee was appointed which went into the management and equipment of workshops, and I am obliged to Sir Raven, Mr. Wrench and other members who were on that Committee for bringing to light such a deplorable state of affairs.

As regards recruitment of Services, I moved a Resolution in this Honourable House asking the Government to recruit the mechanical staff, particularly the senior subordinate mechanical staff, from the qualified students of the various mechanical engineering colleges in India. In the debate on that Resolution Mr. Chadwick, now Sir T. Chadwick, dilated upon the recruitment of officers alone. My intention in moving that Resolution was not only that it should apply to officers, but also to the subordinate staff. He never touched the point of recruitment of subordinates although I laid stress on it. The Roorkee College has, as I said in my speech then, proved a great success and some of the engineers from that college have proved to be distinguished engineers. I would like the Government of India to adopt a similar step by recruiting the subordinate mechanical staff from the qualified students of these colleges. I would like the Honourable the Chief Commissioner to throw some light on what the Government of India have decided in this important matter. I am grateful that in the officer grade of

12 Noon. officers there has been a distinct improvement in Indianisation. but as regards the subordinate staff, and particularly in the traffic operative side, the increase has been very meagre and I wish now again to draw attention to that fact. There is also a rumour afloat that the term of Divisional Superintendents on the various Railways will be fixed at three years. After three years they will have to revert to their substantive

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appointments. I think this will adversely effect sound administration because as soon as an officer comes to know his division well, he will be on the eve of reversion. I wish the Honourable the Chief Commissioner to throw some light on this subject, as to whether this policy is going to be adopted. As regards Indian refreshment cars, I mean the cars for Hindus and Muslims, the cars at present running are of what I should call an antiquated design. They require improvement and they should be brought up to date with sanitary floors and better furnishing. If the Chief Commissioner will go into the present cars which are running on the various Railways he will be convinced that the public grievance on this point is right. Some time ago the Railway Department decided that in certain services Indians and Anglo-Indians are to be put on the same scales of pay. How the North-Western Railway carried out this decision and policy of the Government of India, particularly as regards confirmation and promotion of the interlocking and signalling inspectors and sub-inspectors on that Railway, is an example of how the policy of the Government of India is carried out by some of the administrations concerned. In this connection I may say that the basis of promotion or confirmation of the various subordinates in various grades was effected not on the basis of their service but on their pay. I am sorry that sometimes things like that happen and so it is the duty of the Railway Department to see that the policy which they dictate to the various administrations is fully carried out. Last year I represented that in the servants' compartments of the higher class of carriages there ought to be lavatories. The Great Indian Peninsula Railway has adopted that and I wish that the other Railways would also be made to adopt it. With these remarks I resume my seat.

THE HONOURABLE MR. MAHENDRA PRASAD (Bihar and Orissa : Non-Muhammadan): The Honourable Sir Clement Hindley, Chief Commissioner for Railways, deserves, and rightly deserves, our best congratulations for the ability and lucidity he has shown in presenting the Railway Budget. Although the earnings for the last three months of the year have not been as assuring as they should have been for receipts have been no less and the prospects gloomy, still the adjustment of figures worked out by the Honourable Sir Clement Hindley speak to his testimony and are by no means a cause for despondency. One could be reasonably disappointed at the way in which an attempt has been made to apply the axe to the reserve to the extent of 7 lakhs for making up the deficit in the Central Revenues due to the falling off in the income and the profits of railways. Still the cut applied is so meagre that it could be tolerated without substantially marring the future prospect of the reserve. Besides, the reserves in all financial adjustments are meant for such emergency.

Sir, I cannot help making some remarks regarding the unsatisfactory working and administration of some of the Railways. I take this opportunity of mentioning a few points regarding the Bengal and North-Western Railway which is not a State-managed Railway. It is worked on contract by a company. I may be permitted here to refer the Honourable Members to my questions Nos. 41 and 42. The apathy and utter callousness shown by the Bengal and North-Western Railway to the carrying needs of the travelling public is a fact quite patent to Members and, as

the Honourable Lala Ram Saran Das has told us, they are getting a dividend of 16 per cent., whereas the State Railways are declaring only about 4 per cent.; they have a much larger profit than other Railways and with all that they are not at all looking to the convenience of their passengers. This is just the time for the Honourable Member here to take steps to see that passengers on the Bengal and North-Western Railway are not put to that sort of trouble and worry. There is absolutely no arrangement for drinking water. If a man starts from Sonapur and goes right up to Chapra, a distance of 32 miles, there is absolutely no arrangement for any water on the way. The lighting arrangements on the Bengal and North-Western Railway are extremely bad. Just a few minutes before the arrival of the trains some lights near the railway station are lighted and passengers arriving there are put to awful trouble. There are also no passenger sheds. There are two fast trains on that line, one called 1 Up and the other 2 Down and they stop only at very important stations. Even at those stations there is no arrangement for passengers of the first and second classes or for third class passengers, which is a most unsatisfactory state of affairs. No doubt it is not a State-managed Railway, but the Railway Board without unduly interfering with the Agents should bring pressure on them to make the needed reforms.

There is only one more point I want to refer to. As regards the new construction work already in hand, and proposed to be taken up hereafter, one cannot but express his satisfaction upon the varying standards to be introduced in the construction of railways to suit the special nature of the area served, but one thing I would like to suggest and that is, that this variation in standards should in no way leave a loop-hole for the authorities, whoever they may be, for an escape from the responsibility which they legally and morally owe to the travelling public.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I propose to follow the example of my Honourable and gallant friend, Sir Umar Hayat Khan, and be brief. I do not think that the Railway Budget this year invites any very wide discussion. We sympathise with the Chief Commissioner for Railways inasmuch as his hopes in respect of the budget figures for 1926-27 have not been realised. At the same time we recognise that the results might have been considerably worse but for the very able administration of the Railways under his guidance. Sir, any one who frames a budget of necessity is a speculator, and if he is forced to be a speculator I quite agree that he should be a cheery one. When speaking on the Railway Budget last year I admired the optimism of the Chief Commissioner in framing his Budget for 1926-27 with an estimated increase of about 2½ crores over the revised figures for 1925-26. That the revised estimates for this year show a considerable loss on the workings of last year is perhaps unfortunate, but after all there is no great harm done, and perhaps it is better to have an optimistic budget if too great reliance is not placed upon the figures. I see that the budget estimate for 1927-28 is worked out in a more restrained form and I hope, as we all hope, that the Chief Commissioner's figures will be realized. In fact I think they should be.

One of the features, Sir, in the report which we have all had before us and which appeals to me perhaps more than any other, is the explanation

[Sir Arthur Froom.]

given under capital expenditure. I think it is a matter for very great congratulation that the various Agents of the Railways in India have exceeded the capital grant by no less than one crore. It is quite true that they were not given all they asked for; they were given 26 crores; but this year, I think for the first time for very many years, they have exceeded their grant,—as I have said, by one crore,—and I think that is a matter for considerable congratulation. Presumably that old bogey of programme revenue has been laid for ever. We used to receive complaints that the Agents could not spend the capital grants because they had not sufficient revenue money to spend it with. Now that this apparently has disappeared I think it is a matter for which we should extend our felicitations to the Chief Commissioner. This result appears to have been attained by giving a freer hand to the Agents of Railways, who after all are immediately responsible for the successful working of their lines, and this is a procedure which I approve of entirely.

Next, Sir, I should like to refer very briefly to wagons and I congratulate the Railway Board on overcoming what for many years was the great cry of a shortage of wagons. When we used to protest in and out of season, and with very great reason, about shortage of wagons, we never laid down that there should be more wagons built, but we always expressed the opinion that the existing wagons were not promptly, efficiently and adequately handled. This difficulty has now apparently been overcome by improvements in the marshalling yards, by better locomotives and better permanent ways, and I hope that this old bogey of shortage of wagons has been laid for ever.

I would just refer back, Sir, for a brief moment to the revised estimates for the current year. Presumably the Chief Commissioner is disappointed that he has not got a surplus, but it will save him a great deal of criticism and applications. Whenever there is a surplus everybody wants to have a bit of it. This time he is in a position to say: 'Well, we have done our best; we cannot overcome unforeseen circumstances and we have got nothing to give away'. But Sir, in referring to this I have in mind a Resolution which was carried in this Chamber not very many days ago, and that was a Resolution dealing with the road communications in this great country, having for its object the improvement of motor transport facilities. The Honourable the Commerce Member was present and in his reply he agreed with the view that I put forward that improved motor transport facilities would bring more grit to the mill of the Railways. Improved motor transport facilities would open up larger agricultural areas; there would be more produce to be moved; it would bring greater prosperity to the agriculturist in the country and in its train greater prosperity to the Railways. I am referring to this, Sir, because there is one point I should like to bring to the attention of the Chief Commissioner, and that is, you cannot run motor transport without petrol and the price of petrol up-country is enormous. I cannot think of any other word to describe it, and what partly contributes to the price up-country is the rate charged by Railways. I strongly urge the Chief Commissioner that when he has funds available he should at once consider the question of a reduction of the price of petrol conveyed in tank wagons.

Sir, I feel I cannot conclude the few remarks I have to make without referring to this very capable pamphlet drawn up by the Financial Commissioner for Railways. Some sort of effort has been made by the speakers before me to cast a slur over the memorandum which shows that would be the greater cost of our Railways were the present ratio of exchange, which has existed for some years now, brought down to a lower level. However much you may try to slur over this pamphlet you cannot get away from the figures. I do not propose now, Sir, to enter into any discussion as to the ratio of the rupee in this country. That presumably will come later, but I do contend that no Honourable Member in this Council can justly ignore the figures placed before us by Mr. Parsons.

Sir, I am sure it is a matter for regret to all the Honourable Members of this Council that this, I believe, is to be the last Railway Budget to be presented to us by Sir Clement Hindley. Sir Clement Hindley has been with us for a number of years now, and I am very sorry that we are unlikely to see him here next year. Any representations we have made to him have always been received with the greatest sympathy, and I think many criticisms have been disarmed by his most pleasant and cheery smile when we go to see him. I remember, when speaking on the Railway Budget last year, I mentioned with regret that we were unlikely to see the Railway Member with us this year—he certainly is not with us at the present time in body, but no doubt his spirit is with us. I am glad that regret was not realized and I trust that in the case of Sir Clement Hindley we shall also have him with us for some longer period. Sir, I have no further remarks to make on this Budget. As I said at the commencement of my short speech, I think that we can honestly congratulate Sir Clement Hindley and the Railway Board for making the best of a very bad year.

THE HONOURABLE RAO SAHIB DR. U. RAMA RAU (Madras: Non-Muhammadan): Sir, before I proceed to enter into a detailed criticism of the Railway Budget, I would like to make one or two general observations, which, I trust, will receive due consideration at the hands of the Government. In the first place, I have to complain about the inadequacy of the time allotted for study and scrutiny of the Budget. Two days' time in my opinion is hardly enough; at least one week should elapse between the presentation of the Budget and the date of discussion thereof. Secondly, Sir, we are told by the Honourable Sir Clement Hindley, in his lucid and interesting speech, that "with these papers (meaning the Budget and other connected documents) and the recently issued Report by the Railway Board on the Railways of India for 1925-26, any one with sufficient leisure can make himself fully informed of the affairs of the Indian Railways during last year, the present year and the current year". But, Sir, I have to point out in this connection that copies of the Administration Reports of the Railway Board and the various Railway Administrations are not distributed to the Honourable Members of the Central Legislatures. These Administration Reports are undoubtedly very important documents, containing as they do, a full account of the railway activities, their policy, and the programme of work done and left undone in a particular year for which the Central Legislatures have voted Grants. These White, Blue and Pink books are practically of no use to us, if we have no means of knowing how the funds have been spent in the past and whether they have been properly spent or not. I know the Government will say that

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the Reports are there in the Library and are open for inspection at any time. But, when it is considered that a good number of the Honourable Members of both the Houses apply for these Reports, of which only half-a-dozen copies or so are kept in the Library and that, during the two days' interval allotted, one day happens to be a Sunday, I think it is not worth while attempting to get it. Apart from that, I maintain we are entitled to get these Reports as soon as published, and I see no justification for Government withholding such publications from us. If it be in the interest of economy to effect some savings under Stationery and Printing, I think it is false economy, and for my part, I would prefer having the Annual Administration Reports of all the departments under the control of the Central Government to getting Gazettes and other useless publications week after week, which are only consigned to the waste-paper basket. Lastly, Sir, I have to bring to the notice of the Government of India and the Railway Board the awkward position in which we, the members of the Central Legislatures are placed, when local railway grievances of a trifling character are sought to be redressed. The Honourable Sir Clement Hindley reminds us of the fallacy of the view that is generally held that the Railway Board directly manages all Railways and should be cognisant of and responsible for all details of the work, even the affairs of every little outlying station in India, and adds that an immense organization or series of organizations such as is represented by Indian Railways can only be controlled by successive delegations of power and responsibility, such as must necessarily exclude from the Central organization the detailed knowledge of many things which affect the service which Railways render to the public and go to influence the character of public criticism. I quite appreciate the force of his argument and fully realize the difficulties of the Railway Board. It is, however, most unfortunate, Sir, that in the administration of the Railways, as in the general administration of India, that blessed system of Dyarchy or Double government prevails. On the one hand, we have the State-managed Railways, which develop rapidly under the fostering care and close supervision of the Railway Board and the Central Legislatures, while, on the other, we have a number of State-owned but Company-managed Railways which are practically independent of the Railway Board and the Central Legislatures, except in so far as financial control and control of a technical nature are concerned. We have noticed, Sir, the indifferent attitude of the Railway Board, when they lay down a definite policy for the State-managed Railways to pursue, such for instance as the provision of housing accommodation of the Railway staff, and convert it into a general policy for the Company-managed Railways to adopt, which is only optional and not obligatory. We, the elected representatives of the people in this House, owe a duty to our constituencies. There are many railway grievances, trifling and important, which the Railway Companies have long neglected to redress. These, naturally, come to our notice and I would ask the Honourable Sir Clement Hindley to put himself in our position and say what he would do to right these wrongs. Will he run up to the Agent of the Railway Administration or his subordinate officials and lay the case before him, or will he wait on any Local Advisory Committee Member and request him to take up the question and move the subject in the Committee? Does he consider these courses desirable or even advisable? What is the alternative course open, if the reply is an emphatic "no" or if his back-door method of representa-



tion fails in the end? Will he not be compelled to move this massive machinery of the Central Legislatures for the redress of these grievances, great or small, unmindful of the result and thus do his duty to his constituents and thereby console his conscience? This, then Sir, is exactly our position to-day, and if the Government or the Railway Board really want us to discuss only the general railway policy in the Central Legislatures, as they evidently hint that we should do, we would gladly do so, provided they shew us some other channel to ventilate local grievances. So far as I know, the only available channel at present is the Local Advisory Committee, however powerless and helpless it may be to enforce its views on the autocratic Railway Administrations, and I would, therefore, venture to suggest that the Members of the Central Legislatures be represented in the Local Advisory Committees so that local grievances might in the first instance be tackled at the Advisory Committee meetings and brought before the Central Legislatures if no satisfactory response was forthcoming. For the Madras Presidency, Sir, 4 seats might be allotted, 2 for the South Indian Railway and 2 for the Madras and Southern Mahratta Railway, the members to be elected from among the elected Members of the Central Legislatures of that Province, the Council of State and the Legislative Assembly being represented in an equal proportion in each Advisory Committee. The Advisory Committees should not be made to deal with passenger traffic alone, but should be entrusted with real powers to advise the company in all matters of administration, finance, new construction works and so on. This step will be conducive to smooth working and a better understanding between the Railway Administrations and the representatives of the people in the Central Legislatures, besides saving a lot of time and trouble to the Railway Board, and I hope the Government of India will give heed to this suggestion.

Now, coming to the Railway Budget, I find it is somewhat disappointing. There is none of those redeeming features of last year's Budget therein, which drew forth due praise from all quarters of the House and caused heavy showers of encomiums to fall on the Head of the Railway Administration. But, if to-day, Sir, these showers of praises are sparse, it is due to no fault on the part of the Honourable the Commerce and Railway Member. As he has already explained in the other House, the monsoon was treacherous to him during the current year which caused unprecedented showers of rain to fall in some parts of the country damaging crops and dislocating railway traffic and no showers at all in other parts, bringing in its train famine and a heavy fall in trade. This accounts for the deficit in the revised estimate for 1926-27, to the extent of 7 lakhs. This deficit has been made up from drawings from the Reserve Fund and this is the first time, and I hope it will be the last, when this reserve strength will be requisitioned to deal with such deficits. The budget estimate for 1927-28 appears to be promising as it leaves a net profit of 7.10 crores out of which the general revenues get 548 lakhs and the Reserve Fund 162 lakhs and, unless the events of the current year, I mean the monsoon freaks, are repeated or other unforeseen contingencies arise, such as the currency debacle, there is no reason to be pessimistic about the future.

Sir, the merit of the Budget depends on two factors (1) the contentment of the railway staff and the cordial relationship that subsists

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between the employers and employees, and (2) the comfort and conveniences afforded to the travelling public. Under the first heading come (a) the pay and prospects of the employees, (b) the housing accommodation and other comforts of the staff, (c) the medical, educational and other facilities given to the employees, their families and children. There is no doubt a good deal of advancement made in recent years by the State-managed Railways and they have rightly earned the good-will and gratitude of their employees. But the condition of the employees in the Company-managed Railways is one of stagnation and misery. The employees in these Railways are denied even a living wage. Our Province is peculiarly unfortunate in having both the railway systems, the South Indian Railway and Madras and Southern Mahratta Railway, under company management. The attitude of these companies towards their employees is generally unfair and unsympathetic. The lowest scale of pay in the clerical staff is only Rs. 20 in each of these Railways, while the initial pay everywhere else is double that amount. Even after 10 years' service, these people cannot reach the minimum in Government service. The same tale can be told even of the wages of the traffic, workshop and engineering staff. The reply of the Agent of the South Indian Railway to the representation recently made by the employees to give them a living wage is interesting and is merely a reflection of the attitude taken by the Honourable Sir Charles Innes in reply to an interpellation in the other House on the subject of living wage. The Agent said :

“The question has been very carefully considered and there appears to be no adequate reasons for the minimum wage to be fixed at any specified amount. The principle of supply and demand entirely governs this question all the world over and an exception cannot be made on this Railway. At the present moment, the supply exceeds the demand and there is therefore no adequate reason for any alteration for the minimum rates of pay as at present.”

No doubt the problem of unemployment is acute everywhere in India, but no undue advantage should be taken by employers of the law of supply and demand to coerce the men to work for low wages. The disparity in wages between railway employees and Government employees naturally breeds discontent among the former and ultimately leads to disastrous effects. The recent strike in Kharagpur on the Bengal Nagpur Railway, culminating in shooting and other acts of intimidation and oppression, are the result of widespread discontent among the staff, due to the narrow-minded policy of the Railway administration and their unsympathetic treatment of the staff. The Railway Board and the Government of India cannot sit with folded hands and shirk their duty and responsibility towards the public who are affected mostly by constant strikes such as these; they must appoint forthwith a Committee of Inquiry to go into the whole question of the wages of the employees in all the Company-managed railways in India, their housing conditions and the like and thus try to alleviate their present pitiable condition.

Turning next to the housing accommodation of the railway staff, the new policy adumbrated by the Government of India is perhaps the outcome of the adoption of the principle of Commercialization of accounts which always places profits above comforts. One of the principles laid down is that rent not exceeding 10 per cent. of the emoluments should be charged for all quarters except those for menial staff, and that staff at present in employ who are given free quarters will be given a compensation

allowance equal to the amount charged. This in my opinion is a retrograde step. Whatever may happen to the rest of the railway staff, the traffic staff at any rate, such as station masters, assistant station masters, booking clerks, porters and other menials ought to be provided with free quarters. These quarters must be located very near the station and close to each other and made burglar-proof. A recent case of theft in the station master's house in Papanasam, a station on the metre gauge section of the South Indian Railway, is reported in the *Hindu* of the 10th instant, and as it gives not only a succinct account of the occurrence of theft but also describes in choice words the nature of the housing accommodation provided by the Company for their traffic staff, I am tempted to quote the same here, for the edification of the Honourable Members of this House and the Head of the Railway Administration in India:

"On Thursday night, some robbers broke into the house of the Station master of Papanasam and carried away clothes and jewels valued at about Rs. 250. The thieves had, it appears, entered by the *unbarred venetian window* of the house and ransacked every nook and corner with great leisure while the inmates were fast asleep. Fortunately, no one was molested and personal ornaments were left untouched. The Station master raised a cry on knowing the occurrence but no body could come to his help from the Station which is not within hearing distance."

Such a disgraceful state of affairs should be mended forthwith and if the Government think that it could not be done, it must be ended by the Government taking over these Railways themselves under State control.

Then, Sir, as regards medical and educational facilities. I understand that inquiries have been and are being made and I trust that the same facilities as are afforded to the State railway employees may be extended to the Company-managed Railway employees as well.

With regard to the comforts of the travelling public, I find no improvement in their lot so far as Company-managed Railways are concerned. For the amenities of third class passengers a sum of Rs. 219.58 lakhs is provided in the Budget and I do not know whether the Railways in the Southern Presidency get a share in this and if so, how much. I take it that this provision is meant for State-managed Railways only. I wish in future that details of allocation of this amount to the different Railways may be given in the Budget, which will be more useful. As regards reduction of fares and freights, providence was against us, but still it is gratifying to note that the North-Western and East Indian Railways have made a drastic reduction in third class fares from 3 pies to 2 pies per mile for distances over three hundred miles. The South Indian and the Madras and Southern Mahratta Railways have made a reduction of  $\frac{1}{2}$  pie and  $\frac{1}{4}$  pie, respectively, for distances between 50 and 100 miles and we are thankful to them for this small mercy. The season ticket fares in respect of Suburban traffic have not been reduced on any of these lines and, unless that is done early, I am afraid much of their traffic will be captured by the Bus service, which is very active in and around Madras. I give this note of warning to the Railway Board, because there is the financial interest of the Government involved here and seeing that the average lead of third class passenger traffic is only 24 miles on the South Indian Railway and 32 miles on the Madras and Southern Mahratta Railway; no undue diversion of passenger traffic should be allowed so as to tell upon the revenues from the Suburban passenger traffic. With regard to new construction works, I am glad to note, Sir, that the claim of the West Coast.

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has at last been recognized and a small beginning is proposed to be made by the construction of the Mangalore-Malpe line.

One word more, Sir, about Indianization of Services and I have done. I know it is an unpleasant topic to deal with and I know also that the very word "Indianization" is anathema to the Government. So I do not propose to say anything more now than that the progress so far made has been halting and unsatisfactory and that, at this rate, the prospects of Indianization are far more remote. No Indian has as yet been appointed to the Railway Board and there are only about 4 superior appointments at present held in the Audit and Engineering Departments in State Railways. The other Railways treat this question of Indianization with a very light heart and there is delay at every step in the matter not only of recruitment of Indians to the superior services, but also in giving them speedy training. It is a matter for consolation, however, to find that the work of recruitment has been transferred from the Railway Board to the Provincial Committees in the first instance, the final selection being made by the Public Service Commission as the result of a competitive examination. It is hoped that ere long the railway systems in India will be manned mostly by Indian officers who will prove as worthy and as efficient as European officers and help to promote the material advancement of this country.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: Nominated Non-Official): I agree with my Honourable friend, Sir Arthur Froom, that this year's Budget does not afford a wide scope for discussion and therefore my observations also on this occasion will be fairly brief. This Budget will appeal to every one as a straightforward business document and anybody who studies it carefully will find that in it the Railway Board have grappled with many important problems and have come to definite conclusions upon some important matters of policy which are in the best interests of the country. A Budget that grapples with difficulties of such a nature, which provides against all reasonable possibilities of shortage of wagons and an extensive construction programme which meets the normal demands of trade for the transportation both of passengers and goods and which has been able to pay our fair interest charges and meet the stipulated amount of contribution to the Government revenues must necessarily be regarded as a very satisfactory Budget. Of course, it has not made any provision for iron bars to the station masters' quarters and against thefts in their quarters or for the long list of indictment which my Honourable friend, Dr. Rama Rau has referred in his speech.

But I am convinced that all Honourable Members will consider this as a fairly satisfactory Budget. This Budget, as Honourable Members will have already seen, is prepared on the basis of the 1s. 6d. ratio. I do not propose to-day to enter into any discussion of that question because to my mind it is unnecessary and needless to do so. The Council will have another opportunity at the budget time and also on the occasion of the Currency Bill to discuss this most important question which has evoked such a great deal of controversy in this country. The keynote of this Budget is that our financial position is perfectly sound. The Railway Board have exercised all their powers and responsibilities prudently and have watched the interest of the public at large as well as the proprietors and users of railways. In this Budget also Honourable Members must have fully discerned that there are clear indications of the Railway Board's intention and desire to carry out the recommendations both of the Acworth

and Incharge Committees and as a matter of fact during the last three years most of those recommendations have been given effect to and a few recommendations still remain to be put into operation. I have not the slightest doubt that in a short time they will be effectively put into operation. This year has unfortunately not been a very favourable year for the collection of railway revenue, but the management of a railway business is extremely difficult. Railway finance, as Honourable Members are aware, is a fluctuating and precarious factor. It would be impossible for the Railway Board or for this Council to expect that the revenues which railways may earn in any particular year can always be steadily kept up. Much depends on unexpected and unforeseen circumstances and considering all that I think we ought not to be disappointed with the somewhat slender revenues which the Railway Board have been in a position to obtain for the year 1926-27. At any rate we shall be able to pay our usual contribution to the general revenues only by drawing a comparatively small sum of 7 lakhs of rupees from the general reserve. That is a satisfactory state of things on which the Railway Board ought to be congratulated. Of course we cannot always expect prosperous years like 1924-25 in the matter of railway earnings. These are windfalls which occasionally occur, and if we have our normal revenues and are in a position to meet our normal charges and undertake a fairly large programme of new construction work, I should consider it a very encouraging Budget. This makes it necessary for the Railway Board to see that the reserves are carefully built up and kept intact. The working of the last three years to my mind has fully demonstrated the wisdom of the policy of financial separation of the Railway Budget from the General Budget and the basic principles underlying that separation. A provision for allocating large sums of money to the reserves is necessary in view of the obligations under the separation convention and these obligations are of a very drastic character. We may find in a certain year of financial difficulty our inability to meet the usual payment towards the general revenues, but there is no doubt that the railways are our wonderful assets and I think India ought to be proud of them. I see no country in the world which can present a parallel of a productive asset like ours to the extent of 600 crores, and which yields a satisfactory revenue and which is incontestably a great factor of strength to the general revenues of the country. Much depends on the wisdom and foresight with which these finances are handled and general expenditure kept under control and I am glad to state that we have in the Railway Board a very able President who has up to now steered the ship of railway finances with masterly ability.

Sir, there are three or four points of considerable importance in this budget. I am glad to find that the Railway Board have succeeded in reducing expenditure in the matter of their coal expenditure and this is extremely encouraging. I am glad the Railway administration have also definitely decided to help the several provinces by taking second class coal and saving a large sum of money by way of transport charges, and I trust that the policy which has been initiated by Sir Clement Hindley will be pursued vigorously and better monetary results are bound to ensue. It is also a matter for great gratification that in the year under report the Railway Board have been in a fortunate position to buy their coal more cheaply than before and have placed their contracts for coal at more favourable rates. Certain Honourable Members have made some observations regarding the recruitment of services. However it is a matter worth noticing that the regulations regarding the recruitment in India of officers

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and men for various departments of railway services have now been published. Those regulations are of a very hopeful and cheering nature and every effort is being made to put into force the recommendations of the Lee Commission regarding the recruitment of officers in India to the extent of 75 per cent. I am sure Honourable Members must have already noticed that those regulations have been framed with one single aim, the object of securing the best Indians for Railway service in this country. My friend the Honourable Mr. Chari has this morning stated that he would not be pleased until he saw an Indian occupying a post on the Railway Board. I personally sympathise with him and share his views. I feel certain that you all agree with him and I hope that the day will not be long distant when we shall see an Indian on the Railway Board and a qualified gentleman will be available for that appointment. But let me remind the Council that the work which the Railway Board has to do is of a highly technical and expert character. That work involves not only office work but knowledge of engineering and the technical part of the manifold activities of the Railway Department, and unless a man is thoroughly capable, unless a man is fit and qualified by previous knowledge and practical experience to hold that post, it would not be in the interests of India to have a man on the Railway Board merely because he is an Indian. These matters must take time. Progress has already been made in this direction, thanks to the Lee Commission's Report, and the Railway Department have themselves already treated with considerable sympathy the aspirations of Indians in this direction. The appointment of a large body of Indians in the higher posts during the last three years sufficiently demonstrates to my mind the active sympathy which the Railway Board have shown in this direction. There is no cause for disappointment; there is no cause for regret or worry; things are bound to improve and there will soon be a time when the expectations of my Honourable friend Mr. Chari will be fulfilled.

Sir, I am glad to notice that the Railway Board has made a distinct departure in the matter of execution of new construction works. They have decided now to get their works done by private agency. This is distinctly an improvement, but it has also its disadvantages. My friend the Honourable Mr. Chari this morning stated that he hoped that all these new contracts would be given to Indians. I hope the Railway Department will do nothing of the kind. I trust the Railway Department will keep one aim in view, namely, that the works are efficiently carried out and are entrusted only to such people, whether they be Indians, Englishmen or foreigners, who will give the best possible terms, whose tenders are the lowest and from whom you can get an assurance that the works will be carried out with consummate efficiency. There ought to be no question of racial consideration in a matter like this, and I deprecate the argument which has been advanced by my friend the Honourable Mr. Chari this morning. The Railway Board's imperative duty is to work in the best interests of the country, in the best interests of economy and in the best interests of efficiency. I would also warn the Railway Department against another danger in this direction. There is certainly an advantage in the matter of carrying out these works by way of private contracts, but sometimes contract work is not so effectively and efficiently performed as departmental work. There is a great deal of scamping often going on; there is a great deal of dishonesty at times in carrying out the work, but I

have not the slightest doubt that the Railway Department will exercise careful supervision and see that the general tax-payer does not suffer in any way.

I am also glad to notice that the Railway Department has taken effective measures for the purpose of guarding their revenues and are now in a position to get better returns from their passenger traffic by the preventive methods adopted by them to stop passengers travelling without tickets. The action taken by the Railway Board in not making these offences cognizable will meet with the Council's approval. At the same time I hope they will see that the passengers are not unnecessarily molested in any way while they are guarding their revenue interests. I would also in this connection suggest that if the Railway Board is interested rightly in the matter of looking after its income, it is also bound to look after the interests of passengers travelling and using their lines. There have been of late many cases of thefts on railway platforms and in carriages, and while the Railway Board are looking after their revenue, which is a commendable thing, I trust they will also see that necessary measures are adopted for the purpose of protecting passengers from being robbed while travelling on their lines. Sir, it is a source of great satisfaction, not only to the Members of this Council but also to the country at large, that the Railway Board have allotted an item of 2½ crores for the improvement of the standard of comfort for lower class passengers. I am glad that refreshment rooms, waiting rooms, adequate water supply at stations, booking and sanitary arrangements and other important improvements are to be at once taken in hand. This amount of 2½ crores will enable the Railway Board to meet the grievances of the travelling public in this direction, and I confidently trust this will be a recurring grant in future Budgets. I should like to see a much larger sum spent annually on the comforts of the lower class travelling public from which the railway companies derive large income.

Sir, I do not propose to detain the Council any further. The Budget, as I have said before, is a satisfactory one and there is nothing much to cavil about. I only hope that the railway income next year will very considerably improve. That will perhaps depend on many circumstances. The whole fabric of railway administration will depend on the attitude which this Council adopts within the next 15 days on the matter of the adjudication of the ratio. I have not the slightest doubt that the Indian Legislature with its well-informed, well-meaning and alert Members will see that India's interests do not suffer in any way and that no additional burden is put on the head of the already overburdened general tax-payer.

Sir, I will conclude now with only one word. It is a matter of much regret that we shall shortly lose the services of the Chief Commissioner for Railways. I entirely associate myself in this connection with the observations which have fallen from my friend Sir Arthur Froom. I can testify personally to those remarks. During the last three years I have closely watched the work done by Sir Clement Hindley in connection with the Railway Board. It was a fortuitous and a very lucky circumstance that at the time when the separation of railway finance from general finance was contemplated, this country could fall back upon an officer of great capacity, of sound knowledge, judgment and information like the Honourable Sir Clement Hindley. The work which he has done during the last three years is open to the public gaze. He

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has set our railway finances right; he has made railways very attractive; he has solved many intricate difficulties of the railway administration and he has shown to the country how railways could be expanded and improved with advantage to the State and to the general tax-payer, and how its income could be satisfactorily increased without causing a burden to the travelling public. I am sure that when the modern history of the work of the Railway Department, and particularly during the last three years, comes to be written, the greater portion of the credit for the skilful and successful management of the Railways and for the satisfactory basis on which the Railway Department has been placed will incontestably be ascribed to him.

THE HONOURABLE SIR ARTHUR FROM (Bombay Chamber of Commerce): Sir, may I put a question affecting the convenience of Honourable Members of this House? Sir, as you are aware and no doubt as Honourable Members of this House are aware, this afternoon there is to be a display by the Royal Air Force. This, Sir, is not a mere spectacular display but it is at once educative and instructive, and I believe it has been fixed to take place during the present meetings of the Central Legislature so that Members might go and see the Royal Air Force work. I wish to enquire, Sir, whether you would be pleased so to arrange this debate as to give Honourable Members of this House, should they wish it, an opportunity of seeing this display this afternoon.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): I strongly support this.

*Several Honourable Members:* "I also."

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): Sir, much as I sympathise with the object of Sir Arthur Froom, I think I ought to take exception to the legitimate work of the Legislature being curtailed by a desire to witness the display. Only one day is allotted to us to discuss the Railway Budget. Personally I am quite willing to forego my desire to speak, but at the same time I think we should be putting an undue strain upon the time allotted for the work of the House by asking the House to adjourn practically at lunch time—because I think the display is to begin at half past two, that is, only half an hour practically remains. I think it is extremely unfair to this House to make the suggestion, and therefore I feel constrained to say that it is not proper.

THE HONOURABLE THE PRESIDENT: I did not understand the Honourable Sir Arthur Froom to suggest that the regular business of the Council should be curtailed. I understood him to ask the Chair to make arrangements whereby Honourable Members should be enabled to see the display, by which I understood him to mean that, if necessary, the Council might adjourn in time to enable them to attend the display and, when the display was over, should then resume and finish the discussion on the Railway Budget. It is a little difficult for me to foresee how long the discussion will last. The last Honourable Member began his speech by saying that he would be brief; he then proceeded to make the longest speech of the day; moreover I am not able to say how many Honourable Members wish to speak. For the moment at all events, we will continue the discussion. The Honourable Lala Sukhbir Sinha.



THE HONOURABLE LALA SUKHBIR SINHA: Sir, I will be as brief as possible and will only say a few words. It is a matter of regret to find that although the Railway Board did their best and although we had a good agricultural year, the revenues of the Railways did not come up to the estimates and there was a deficit, and it is also regrettable to find that there is not to be a reduction in third class passenger rates or goods freights for which there is a general demand in the country. I hope and trust that the coming year will be more prosperous, and the Railway Board will find it possible to make a reduction in third class passenger fares as well as in the goods freights.

The second point that I want to bring to the notice of the Railway Board is about the recruitment of Indians, I mean more Indians, for the railway services. There is a general complaint that more Indians ought to be taken into the services, as it cannot be denied that Indians can do as efficient work as others. There is no reason why the Railway Board should not try to take more Indians into the service. I admit that they have taken more Indians in the service than before, but they ought to take still more Indians.

The next point is that from the new railway projects I find that they are going to have a railway line from Rohtak to Panipat. I would suggest to the Railway Board for their consideration that this line may be extended to Luxur or Hardwar passing through Shiamli, Muzaffarnagar and Roorkee, by which means a good deal of loading and unloading on the way could be avoided, and it would be a great relief to the merchants who have to take goods from one line to the other line. The second proposal is to extend the line from Karanpriyag to Kathgodam passing through Naini Tal, I mean to (at this stage the Honourable Member was conversing with another Honourable Member)

THE HONOURABLE THE PRESIDENT: The Honourable Member ought to address the Chair.

THE HONOURABLE LALA SUKHBIR SINHA: My proposal, Sir, is that this line proposed to be done only up to Karanpriyag may be extended to Kathgodam so that the whole hilly tract might be open for traffic as well as for passengers.

Another point, Sir, is about the Hardwar Kumbh fair that is coming on the 12th April. I have come to know from the Government and railway officers that they are doing their best to cope with the traffic, but it is my experience of many years as well as of the last Kumbh fair, that the Railway Department generally use wagons for carrying passengers on these occasions. These wagons are very uncomfortable, having no sitting accommodation, and having no proper lights or ventilation. I would strongly suggest that so far as possible these wagons should not be used at the time of fairs. Hardwar is said to be a place from where cholera breaks out and spreads to other parts, and I wish and hope that Government and the Railway Department will try their best to put a stop to the spread of cholera from this place and remove this bad name from our most religious place in the country. If proper steps are taken by the Railway Department and the sanitary and health authorities, I am sure there will be no spread of cholera from Hardwar either at the time of the Kumbh fair or at some other time. Sir, there is a proposal to collect a

[Lala Sukhbir Sinha.]

pilgrim tax for Hardwar through the Railway Department. They already collect some tax, but the proposal is to increase that tax on this occasion. I am strongly opposed to the collection of such taxes by the Railway Board. The Municipal Board may collect them as they like—it is a local matter, but, I think, the Government should look into the matter and discourage this collection through the Railway Department.

The last point is about the ratio. I am not going into it in detail on this occasion. It is a very big question and a very complicated one. But I wish to point out that this ratio question should be settled in such a way that it may not hit the poor cultivators of the country. For the improvement of agriculture a Royal Commission has been appointed and they are taking evidence, and I hope that the question of the ratio will not be decided in a hurry but will be carefully considered and thoroughly threshed out so that it may not affect the poor cultivators.

THE HONOURABLE RAJA SIR RAMPAL SINGH (United Provinces Central: Non-Muhammadan): Sir, the speech delivered by the Honourable Sir Clement Hindley the other day in this House and the lucid manner in which he explained the sound financial position which the Railways have attained since the separation of their finances from general revenues have given us a clear insight into the workings of the Railway Administration, the progress so far achieved and the bright future that is in store. I heartily congratulate the Honourable the Commerce Member, the Railway Board and all those who have been helpful in bringing about this success. No doubt it must have been a little disappointing to them to trench upon the Reserve Fund to the extent of 7 lakhs but that was due to shortage of income from traffic resulting from climatic causes over which no one could have any control. It is a matter of gratification to the people and we appreciate it very much that without loss of efficiency economy has been the key note of the administration.

Sir, it is very easy to criticise and suggest a decrease in fares and freights but it is difficult to make both ends meet with enough margin for future development. It is but natural for us and we consider it our duty to press for relief to the travelling public and I have every hope that when the time comes the Administration will readily come forward to grant it. It has already given testimony of its practical sympathy in that direction even at some financial risk.

Sir, I take this opportunity of giving expression to the gratitude of the people of Oudh and of the United Provinces in general to the Railway Board for providing Lucknow with a railway station which not only affords comforts to all classes of passengers as well as traders but has added beauty to the capital of Oudh. While we are very grateful for this improvement, I cannot refrain from mentioning that the removal of the Traffic Audit and Statistical offices from Lucknow has hit the city hard in several ways, I will not dwell on that point as that is now an accomplished fact. The location of the Clearing House office mentioned in the last but one paragraph of the Honourable Sir Clement Hindley's speech must be under the consideration of the Railway Board.

The whole scheme is in an experimental stage. I would ask that the claims of Lucknow on the grounds of economy and on its being a central place will not be overlooked and I hope that this Clearing House will be

stationed in that city and that the houses that have been vacated by the railway servants will be occupied under this arrangement. Again I congratulate the Railway Board on the success that they have achieved.

THE HONOURABLE MR. KUMAR SANKAR ROY CHOUDHURI (East Bengal: Non-Muhammadan): Sir, as a representative of East Bengal, I shall confine my observations to the condition of things prevailing in the Eastern Bengal Railway Administration and I shall briefly relate the various grievances that the public and those employed by that Railway are suffering from. So far as the public are concerned the foremost of all complaints is the admittedly high rate of fares prevailing on the Eastern Bengal Railway. This, the Government say, is due to the system being unremunerative. One fails to understand why this is so specially when the province through which it runs and the province of Assam which it serves as the main outlet are both so rich in their material resources, unless it be due to the existence of several steamer companies which ply their steamers between Patna and Goalundo, Assam and Goalundo, and Naraingunj and Calcutta. In order to make this railway system profitable, it is therefore necessary that this line should be so extended as to compete with these natural high-ways of traffic. The joining of the upper Assam railway system with the northern section of the Eastern Bengal Railway has to a great extent diverted the traffic of Upper Assam and North Bengal along the railway line but no attempt has up till now been made to divert the traffic from the other two natural high-ways, namely, from Goalundo to Patna by the Ganges and from Naraingunj to Calcutta which runs most circuitously through the delta of the Ganges.

In order to secure the traffic passing through these routes we have been urging for nearly a quarter of a century the construction of two railway lines, one from Dacca to Aricha on the opposite side of Goalundo and another from the opposite side of Goalundo in the Pabna district *via* Pabna to Issurdi or Natore so as to connect from there by the newly projected Natore Nachoul line the Bengal and North-Western Railway with the Eastern Bengal Railway. This will not only serve as a most direct route from Bihar and the United Provinces to East Bengal, but may in future be further extended to link Burma with India,

The Government have only this year taken up the surveying of the first project and say that the other project is also in contemplation, but they do not give us any assurance whatsoever as to when they will be in a position to take it up. The people of Pabna have been insistently urging the construction of this line; theirs is the only district in Bengal whose headquarters and most of the important places in the interior are unconnected by railway communication, although that is a district which is almost at the centre of the province.

During the recent communal riots they have been keenly feeling the absence of any rapid means of communication from place to place and their District Board had also long ago come forward with a proposal of their own to construct a branch line from Issurdi to Pabna.

The recent abolition of the system of issuing 14 days' return tickets to intermediate class passengers will also cause a great hardship to the poor middle class population of East Bengal. The rate of fares prevailing on the Eastern Bengal Railway is, as I have already stated, very

[Mr. Kumar Saikar Roy Choudhuri.]

high and a further raising of fares like this will cause great hardship to the travelling public. These return journey tickets serve as an inducement to people to make frequent journeys by railway and should be encouraged rather than discouraged. Moreover, the income of the Eastern Bengal Railway has risen this year and it is therefore time that the Government should see their way to reduce the fares of this line and bring them into line with the East Indian Railway and give all possible facilities and inducements for frequent travelling so as to make the line a more paying one.

Another grievance that the public are suffering from and which is more keenly felt by them on account of the stringent enforcement of the rule of preventing people from travelling without tickets is the want of facilities given to the passengers, specially those travelling in the third class, for the purchase of tickets. No doubt at important stations arrangements have been made for selling tickets in advance; but this facility can hardly be availed of by people who generally travel in the third class partly on account of their ignorance and partly because of the inconvenience of going to the booking office once to get the ticket and again to avail themselves of the train. Moreover this facility has not been extended to roadside stations where trains stop only for a short time, and in spite of rules recently promulgated station masters never as a matter of fact open their booking offices more than a few minutes before the train arrives so that it often happens that people cannot purchase their tickets and are left behind. As a large number of inspectors are going to be employed to check and prevent persons from travelling without tickets, they may as well be empowered to sell tickets to those who have not been able to purchase tickets through shortness of time or other *bona fide* causes.

Proper facilities are also not given to lower class passengers for booking their luggage and if they are not previously booked they are charged for on the trains without making any allowance for the number of tickets held by a passenger to which he would have been otherwise entitled. This works as a great and undue hardship to the people and travelling checkers ought to be enjoined to make allowances for tickets in case luggage has not already been booked for them. Another inconvenience specially felt by third and intermediate class passengers is due to the failure of water supply in the latrines. Considering the large number of passengers that are huddled into these carriages the quantity of water that is or is supposed to be supplied but hardly ever done is entirely inadequate and passengers are put to great inconvenience through inadequacy or failure of the supply.

Coming now to the grievances of the railway employees I submit that the initial pay of the menials (Rs. 11 only) and clerks (Rs. 22) is very inadequate. Government are perhaps aware that almost about 95 per cent. of the Indian subordinate staff are indebted to the Co-operative Credit Societies and unless the pay of these people is increased at an early date, their condition will grow from bad to worse.

The accommodation available in Indian staff quarters also is meagre and insufficient and unhealthy and needs improvement. Invidious distinctions are also being made between Indians on the one hand and Europeans and Anglo-Indians on the other not only as regards pay but

also as regards prospects and promotion, and I may point out the following instances of such injustice being done to Indians:

- (1) Although there are many European and Anglo-Indian drivers who get the maximum pay of Rs. 220 there is hardly any Indian driver who gets it.
- (2) Although the number of Indian subordinate officers who have passed through the Chandausi Training School course in Transportation successfully in 1926 is 23 and the Europeans and Anglo-Indians who have done so number only 6, only three of them have been promoted to the higher services and they all belong to the latter class.
- (3) In appointing guards in the case of Anglo-Indians, probationers are taken and trained for a period of one year at a monthly salary of Rs. 100, within which time they are allowed to sit for the guards' examination, whereas in the case of Indians they are taken on probation only after they have passed that examination and even then at a pay much less than Rs. 100.
- (4) So in the case of appointment of station masters—Europeans have to pass through a nominal commercial examination whereas Indians must pass through an examination in telegraphy as well as the commercial examination and as soon as the examination is passed, almost all the important railway stations on higher pay are manned by Anglo-Indians.
- (5) In the matter of dress also—European station masters get one set of warm coat and trousers of good material and two sets of white drill coats and trousers whereas Indian station masters get only one warm coat of much inferior stuff and two drill coats and no trousers at all.

These are some among the many grievances the subordinate staff of the Eastern Bengal Railway are suffering from, but they are in no way special to this line. The grievances are keenly felt by almost all the subordinate staff in almost all the lines. Repeated Resolutions have been moved in the Assembly for the redress of these grievances and I think it is time now that the Government should give the matter their earnest consideration.

THE HONOURABLE MR. R. D. MORARJI (Bombay: Non-Muhammadan): We note that the Financial Commissioner for Railways has threatened the country with terrible consequences if the ratio is to be at 1s. 4d. He says that the reduction in net receipts in 1927-28 will be by over 3 crores, and eventually by about 6½ crores per year; there may also be a possible rise in rates and fares in the forthcoming year and the omission of some of the new lines and other works from the programme of construction. Sir, the discussion on the ratio question will come up in this House in due course; but the House cannot be stampeded into accepting the official point of view by means of these threats. Since the ratio question has been brought in, one may ask whether the drop in gross receipts for the current year by over 4½ crores is due only to floods and unfavourable agricultural conditions. I do not think so. Sir Charles Innes said in the other House that up to the end of December last the total foreign trade

[Mr. R. D. Morarji.]

was nearly 50 crores less than in 1925-26 and 60 crores less than in 1924-25. The floods in 1924 in several parts of India were more serious and more widespread in character than in 1926, and yet the Railways had a prosperous year. The slackness of trade during 1926 is mainly due, I think, to the efforts of the Government to maintain exchange at 18d. This has led to a falling off in goods traffic, as there was no movement towards the ports. It is also of significance that although Mr. Parsons has drawn such a tragic picture, there is not a word either in the speech of the Member for Railways in the Legislative Assembly or the Chief Commissioner for Railways in this House to indicate that they share this view. On the other hand, Sir Charles Innes told the Assembly:

"I am sorry that I am not in the happy position of announcing any further reduction in rates and fares".

There is room for considerable retrenchment in the working expenses of railways. If  $1\frac{1}{2}$  crores could be saved by economy in the current year because of its being a bad year, there is no reason why the Railway Board should not always keep a strict eye on expenditure. Startling disclosures have been made in the Raven Committee's Report to which reference has been made in Sir Clement Hindley's speech. I am glad that the Railway Board have sanctioned new methods of repairs so that a locomotive which formerly took 140 days for repair will hereafter take only 50. Wagons which were for 50 to 60 days in the workshops will be repaired hereafter in 6 days. Coaching vehicles which formerly took 70 days can now be overhauled in 28 days. It would have been interesting if the amount of money saved by the adoption of this method had been indicated to this House. In the Raven Committee's Report, paragraph 187, page 33, it is stated that the average maintenance cost of a locomotive on English railways varies from £508 to £525 per year. But on the East Indian Railway it is £535, on the Great Indian Peninsula Railway £795 and on the North Western Railway £770. As regards coaching vehicles, the average cost per year on English railways varies between £71 and £85. On the East Indian Railway it is £190, on the Great Indian Peninsula Railway £330, on the North Western Railway £200. The average cost per goods vehicle on English railways varies between £6 and £10. On the East Indian Railway it is £17, on the Great Indian Peninsula Railway £25, on the North Western Railway £16. The Committee says:

"We feel sure that with better organisation and methods of production it would be possible to work to well within English Railways' costs in India, thus bringing about substantial economies in working".

Has the Railway Board accepted the recommendations of the Committee and what will be the effect of the working cost during the forthcoming year? Regarding locomotives, Sir Clement Hindley has said that between Lahore and Karachi, whereas formerly there were six changes of engines, it will be possible to do only with one change hereafter, and so save five engines with a considerable economy in coal consumption. If that is so, there should not be any need for locomotives in the programme of 1927-28 and the item of 72.74 lakhs for additional locomotives seems inexplicable. One is at a loss to understand why a new Power Station at Kalyan is being erected at a total cost of 97 lakhs when there is the Tata Hydro-Electrical scheme from which power will be available. From the published proceedings of the Railway Finance Committee, I find that Mr. Jamnadas

Mehta raised this very question, and the Committee was evenly divided on the merits of this scheme. I believe all the Indians voted on one side and the Chairman carried the day by his casting vote. It is satisfactory to note that stores have been reduced from 34 crores in 1922 to 11 crores in the current year, but the satisfaction is short-lived when I refer to this subject in the Raven Committee's Report, page 81, paragraph 423:

"We have personally noticed in one of the larger running sheds these 'charged off' stores lying about the place in disorderly heaps, no arrangement having been in existence to bring to bear the ordinary checks and procedure of store-keeping. We have been told that this is the result of the campaign of reducing 'stores balances', but we cannot accept this explanation. No book-keeping method of reducing stores balances could go to the root of the evil, which it is obviously sought to eradicate, and it is our conviction that necessary economies in expenditure cannot be enforced without a proper system of store-keeping and store-accounting being observed at all places where stores accumulate."

It would be interesting to know how many crores of the tax-payers' money have been wasted by the Railway Board in the light of the disclosures made in the Raven Committee's Report. Such a thing would be impossible if the Railway Board were responsive to public opinion, and control over the Board and its policy were vested in the Legislature.

The Budget only justifies the view that next to the Army Department the Railway Board is the most wasteful Department in the Government of India.

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): Sir, if I do not join my colleagues in this House in congratulating the Chief Commissioner it is not due to any want of understanding of the good points in the Budget. He has got a full measure of congratulation both from my colleagues and himself. In fact he has praised the Railway Board and his Department so much in the very eloquent speech which he delivered here that one is almost overwhelmed with the immensity or the magnitude of the beneficial work of that body and its responsibility to the people of this country. I therefore do not add anything more to that full measure. There are certainly good points in the Budget. Last year I was complaining that there was not much evidence in the Budget about the development of agricultural lines, as I call them, or lines which facilitated the movements of agricultural produce for the market. In this year's Budget, I find a distinct statement which I welcome as a very happy augury for the future of Indian railway policy. Sir Clement Hindley clearly says that the policy itself might be described as an agricultural policy. In this connection I would only ask the railway authorities not to show much partiality to what I consider to be luxuries as compared with necessities. While they are pursuing a policy of feeder lines to promote agricultural enterprise, they are undoubtedly partial to some of the schemes which I may describe as luxuries, namely, the electrification scheme at Bombay and the money to be spent upon a scheme to prevent the reversal of the train between Poona and Bombay. These are schemes which consume a large amount of money. In my opinion they can wait, and other agricultural lines should have preference in the programme in the actual carrying out of the works. With regard to the facilities provided for the lower class passengers there is, I notice, a provision of over 2 crores, but on looking at the matter more closely it does not impress me that it is going to do very much for these passengers. But we are thankful for small mercies and I will not dwell upon the grievances of these lower class passengers which have already been remarked upon by the speakers who

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have preceded me, especially by my Honourable friends Lala Ram Saran Das and Dr. Rama Rau who speak from personal knowledge. I do not wish to add anything more to that list, but one thing I would urge. The feeling amongst third class passengers is that on long journeys it would certainly add to their comfort if there were through carriages just as there are for higher class passengers. For instance there are not many people who go from Madras to Delhi on an express train, or from Howrah to Simla, and one carriage would accommodate them. At present they have to change at many places and sometimes in the cold weather to change at a place like Delhi is not a pleasant matter. Therefore, if the Railway Administration can find it possible to run through third class carriages on long distance trains to facilitate the journey of passengers going from one province to another, it will add considerably to the facilities of travel for these people. With regard to the reduction of fares and freights I do not think we can accept the statement that the utmost limits have been reached this year and nothing more can be done. The grievances of third class passengers on certain railways in this connection are certainly legitimate, and I hope something will be done to give them relief. I would remind the Chief Commissioner that the third class passengers mostly come from rural areas. They often have to make long journeys before reaching the railway station and incur a lot of expenditure on that. And if they happen to be going to a pilgrim centre they have in addition to pay a pilgrim tax. Their expenses are therefore really considerable before they reach their destination, and they do require some relief. I hope the relief will be forthcoming consistently with sound finance.

Having said so much I would say a word on the railway administration. I have said already that we pay an excessive price for the railway administration and the feeling in my mind is that the price is unduly heavy. First of all with regard to Indianization which will reduce the expenditure, the promise which has been held out has not been fulfilled and many opportunities which occurred have been lost and nothing really has been done to Indianize the Railway Board. My friend the Honourable Sir Maneckji Dadabhoy made one observation from which I desire emphatically to dissent. He seems to believe that the demand for Indianization is based upon the idea that the man to be put in should be merely an Indian. Nobody has ever thought of that. He says that an inefficient, incompetent man ought not to be put in. I do not think that either the Members of this House or the Members of the other House or the country at large ever made any such grotesque demand, namely, that an Indian ought to be put in in preference to another merely because he is an Indian. But provided the qualifications are equal, provided that the man is fit for the work, I certainly demand that the Indian ought to have preference over a European because the country is governed, at any rate in theory, in the interests of India and Indians. That is all that we ask for, and if in the year of grace 1927 Sir Maneckji Dadabhoy asserts that there is not a single Indian competent in the whole of this country to be placed on the Railway Board, I must emphatically deny his statement. It would be neither creditable to himself nor to the country to which he belongs to assert that there is not a single Indian fit to be put on the Railway Board. On the other hand, I think that Sir Charles Innes himself said that a member of the Indian Railway Board is likely to vacate his place shortly and the Government of India is seriously thinking that an Indian might be found



for the place. Then, Sir, with regard to efficiency, I am sorry to say that notwithstanding the claim made for efficiency, there is enough evidence in the Budget itself that the efficiency has not been brought up to the standard that we expect. A reference to the Raven Committee's Report as to the shortcomings in the stores of the workshops is made in paragraphs 38 and 39 of the speech, but the answer made to the somewhat severe criticism contained in that Report is very halting and very lame; in fact no explanation is forthcoming at all. I have read these paragraphs, 38 and 39, very carefully and I find that really no answer is made to the criticism. All that we are told is that in 1926-27 the store balances were 11 crores as against double that amount in 1922 or 1921. That is, Sir, a very poor statement to make, and we are only assured that:

"a beginning has been made, however, and as we have placed Mr. Wrench, a member of the Committee, on special duty in order to put the recommendation of the Committee into practice in the State Railway Workshops, we hope to make considerable progress in the coming year."

I hope that the hope will be realized. The Inchcape Committee sat four or five years ago, and judged by the extent to which effect was given to that Committee's Report, I do not think that the condition of affairs in the workshops stores is such as to justify the claim for efficiency of the Railway Board. Then with regard to the fares and freights, it is said that the Railway Board has done all it could and has acted justly towards the people of this country. But if they had found it possible to invest a body like the Rates Advisory Board with statutory powers so as to ensure that there would be no undue preference and that the rates in themselves would be fair as in other civilized countries and could quote the opinion of a responsible tribunal which was binding on the Government of India as well as the people affected by the policy of the Railway Board, something could be said for this claim. But to judge of its own action by its own standard and a certificate given by it to itself, is no great credit for the Railway Board as anybody can do that. I find it difficult to understand the self-complacency of that august body. Therefore, I hope the wisdom of transforming this useless Rates Advisory Committee, which is vegetating, into a body which really will have the power to protect the tax-payer's interest will soon be realized and that it will be replaced by a tribunal of the sort recommended by the Acworth Committee. In that case something may be said for this policy of the Railway Board as judged and tested by that tribunal.

Then with regard to the control over the Company-managed lines, the frequency of the strikes, and the great discontent that there is among the labourers and the staff is not a good certificate for the Railway Board's scrutiny of the affairs of the Company-managed lines. It has been urged very often upon the Railway Board that it is desirable to set up arbitration boards or other independent bodies to settle quickly and promptly the disputes between Companies and its labourers and to investigate the causes of strikes and do something to prevent these periodical recurrences which not only cause hardship to the labourers but also result in enormous losses to the revenues of the Railways and of the country, and there is also great discontent. These can be speedily settled if independent arbitration boards are established. That is a demand which has been made over and over again. If all this is not done, I really do not see much use in there being a body like the Railway Board, which has been described by my

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friend, the Honourable Sir Maneckji Dadabhoy, as a body that has to do very highly technical work. I really do not think that this is so highly technical as to require a body like that unless it is really able effectively and efficiently to supervise and control the various railway organizations in this country. It is conceded by the Financial Commissioner that the object is sought to be achieved by delegation of power and that a large portion of the work is done by agencies to which the Government of India and the Railway Board have delegated their powers. The Chief Commissioner says in his speech with regard to the responsibility of the Railway Board:

"It stands to reason that an immense organization or series of organizations such as is represented by Indian railways can only be controlled by successive delegations of power and responsibility, such as must necessarily exclude from the central organization the detailed knowledge of many things which affect the service which railways render to the public and go to influence the character of public criticism."

Sir, for administrative purpose there are Agents, there are Managers, there are Statutory Inspectors for Stores and so forth, and there is a Financial Commissioner and the Railway Member. I think the time has now come for the Indian public to examine very closely the desirability of continuing the Railway Board. Personally speaking, I should think that the Member for Railways and a Financial Adviser ought to be enough. Of course the Member for Railways is now doing other work as a Member for the Government of India, but I do not think that a Board for Railways is any more necessary than a Board for Law or a Board for other things. If the Railway Board does not come up to our expectations, then the Indian public should begin to agitate for a revolutionary change in the Railway Board and not be content with the existing state of affairs. The administration of the Railways is one of the national services, and I do not see why Railways alone should have a Board when other great branches of the administration have not got similar Boards. All this I am saying on the assumption that the Railway Board does not improve its usefulness and continues to be a close preserve as hitherto. In saying so, however, I once more emphasize the fact that I do not for a moment minimise the good work it has done, and I merely emphasise various points on which the efficiency has not been up to the mark.

One word more, Sir, about this ratio question which is very prominently raised by the footnote added to this Budget. It is somewhat difficult at this stage to enter into any controversy over that question because it is coming up later on in another connection. But reading the separate memorandum of the Financial Commissioner on the consequences of a change of the ratio to 1s. 4d., one would say it involved argument in a vicious circle from point to point, and that it does not really bear careful scrutiny. When we come to the question of the Ratio Bill, we shall deal with it very fully but in the meantime I am bound to point out that the possibilities of incurring expenditure in rupees by purchasing stores in India and also of raising debt in rupees instead of in sterling have not been fully discussed in the Memorandum so as to give us an adequate idea as to how far the consequences of this ratio can be obviated by resorting to a policy of expenditure in rupees as well as by raising debt in India. That has not been done. Another point was referred to by my friend, the Honourable Mr. Morarji, namely, that on the ratio depends really the agricultural prosperity of this country. There is no guarantee that, if the rupee stands at sixteen pence, there will not be

really such a large increase of agricultural prosperity that it will not make up for the anticipated financial loss of the Railways. Before I sit down, Sir, I shall only refer on this aspect of the ratio question to the opinion of a well-informed Englishman who has been doing very admirable agricultural work in this country, and who has been interesting himself in agricultural work, as expressed in a letter which he sent to my friend, Sir Purshotamdas Thakurdas—a letter which I have been able to quote by the kind courtesy of Sir Purshotamdas Thakurdas. This gentleman says in that letter:

“From an agricultural point of view, too, the loss to India must be enormous because the exports are chiefly products of land. The question crops up continually, why should I teach these boys improved farming when I know they will not gain the financial benefits which should result from our combined labours?”

And when Sir Purshotamdas Thakurdas asked him whether he could make public use of that letter, he answered in the affirmative, and added this:

“I am most anxious about the future of agriculture and its enormous exports. These can only be paid for through the usual banking systems and that must clearly mean an intolerable loss to the farmers of India. What is the use of our teaching improved farming to the boys and trying to uplift the villager if his profits are to be filched from him by ways and means that he cannot understand or resist. It would be heart-breaking to carry on rural education for the purpose of *bolstering up budgets*.”

This is the opinion of an impartial Englishman and not the cry of a Bombay millowner. Therefore, to say that India would suffer seriously in its railway policy by fixing the exchange at 16*d.* instead of 18*d.* is to decide the question prematurely. Let us wait and see all the bearings of this question when the matter comes up and I hope that the Members of this Council will not be carried away by the alarming picture drawn in this Budget with regard to the ratio. With these words I also join in the congratulations which the Chief Commissioner has received from this House and also associate myself with Sir Arthur Froom and Sir Maneckji Dadabhoy in their felicitations to the Chief Commissioner in the eve of his departure from India.

THE HONOURABLE SIR CLEMENT HINDLEY (Chief Commissioner, Railways): I have to communicate to the House an apology from the Honourable Sir Charles Innes for not being present during this interesting debate to-day. He is, as the Council knows, engaged in important public business elsewhere and he is very sorry not to be able to be present. I wish to reply, if I may, very briefly to some of the criticisms which have been made and first perhaps I had better deal with one absorbing topic which has cropped up from time to time during the debate. The question of the ratio has been mentioned by several Members. I think all that I need say about that is that we have put forward this pamphlet by the Financial Commissioner with the budget papers in order to enable Members to realise what would be the effect of the change in the ratio on our figures in the Budget. We do not claim for it infallibility and I would also say that it contains no attempt to stampede the opinion of this House or of any one else, or to dogmatise as regards facts and figures. It is the best possible estimate that with our present knowledge can be made of the effect of the change of the ratio on the Railway Finance and budget figures, and with that I think, although the subject is tempting, I had better leave it, because, as many Members have said, the subject will come up again for discussion in this House.

[Sir Clement Hindley.]

Several Members have mentioned, amongst other things, the arrangements which we are making in connection with the Kumbh Mela at Hardwar. I should like to assure those Members who are interested particularly or locally in that Mela, that we are taking special steps to collaborate with the Local Government and the local officials in regard to sanitation there. We are also making special efforts to deal with the exceptionally heavy rush of traffic which we expect by getting together as many railway carriages as we can, so that if it is possible we may be able to avoid carrying passengers in wagons. One Honourable Member implied that his many experiences of the Kumbh Mela had made him believe that we should never be able to avoid carrying passengers in wagons. The Kumbh Mela happens once in 12 years and I do not think that that gentleman could have had very many experiences of the Kumbh Mela. The Railway Department expect that at the forthcoming Kumbh Mela in April there will be something like a million passengers to deal with. It is not an easy matter and there may be difficulties in carrying them there and more difficulties in getting them away. But I wanted to mention that we are making special arrangements for this occasion based on our previous experience.

I cannot attempt to deal in detail with everything that has been brought up in this debate, and those Members who perhaps are waiting for my answer to some of their criticisms will forgive me if I cannot deal with them all in full. The suggestions that have been made particularly regarding local matters will have our consideration. We shall have them on the record of the debate and we shall deal with them when we have time. I wish to mention one or two matters of a somewhat general interest which have come up in several speeches. First of all, in regard to the further reduction of passenger fares and freights. It seems to have been assumed in the House that we have somewhere in these papers said that we have come to an end of making reductions and that we are doing nothing more. I do not remember having said anything of the sort myself nor having authorised such a statement to be made, because we have persistently said that we shall continue to examine this question. There is reason, however, in this year for special caution, because at the beginning and during this year we have made very large reductions and we are now waiting to see the effect of these reductions. When we have got down, as we have done on some of the Railways, to carrying third class passengers at the rate of two pies a mile for long distances it cannot be expected that we can go down very much lower than that. At that rate we should be carrying the passengers with very little profit indeed, and although we shall continue to examine the question of passenger fares and freights and see whether any further reductions are possible, it cannot be expected that there will be any large further reductions on the main lines.

In regard to Indianisation, I was a little bit surprised to hear the same criticisms as we had last year from one or two Members and the same remark, which I cannot help feeling, is made in ignorance, that the Railway Board care nothing for Indianisation and have done nothing. I can leave it, Sir, I think to the good sense of the remaining Members in this House, but I am afraid that the Members who made those remarks have not seen or cared to see the regulations that we have issued for the recruitment of Indians. It is absurd, if I may use such a strong word,

to say that we are not doing anything in the way of Indianisation and that we do not care about appointing Indians. The regulations were published in the Gazette of India in July last year and are being worked to. There seems to be, I am sorry to say, supreme ignorance on this subject, although we have done our best to ventilate the matter in the public press. We now recruit in India 75 per cent. of the vacancies which occur in the main branches of our service. Under the regulations we have already had two examinations which the Public Service Commission have held for us. It is not possible to increase the pace because there are only a limited number of vacancies year by year. In regard to the question of appointing Indians on the Railway Board, I can only repeat what has been said before, that when a vacancy occurs the best man available will be selected.

Certain criticisms were made in regard to the Rates Advisory Committee and it was stated that so far they have had very little work to do and it was suggested that they should be turned into a labour tribunal of some kind to arbitrate in labour disputes. I do not think this suggestion was made seriously, but I would mention that a number of cases are now coming before the Committee as the public are beginning to understand what they are for and what they are prepared to do. I would join issue with Mr. Ramadas Pantulu on this matter and point out to him that the remedy for high rates and fares does not lie in the establishment of a statutory tribunal but in ensuring that the railway property pay good profits. It is not by establishing a tribunal that you can get rates and fares down. You cannot ask the Rates Committee to arbitrarily fix rates and fares. What you have to do is to keep up the profit earning capacity of your railways and then you will be able to carry passengers and other traffic at lower rates.

**THE HONOURABLE MR. V. RAMADAS PANTULU:** I have not asked for reduction but only for testing the accuracy of the claim of the Railway Board to have done justice.

**THE HONOURABLE SIR CLEMENT HINDLEY:** I think, the present Rates Advisory Committee are there for testing whether the present rates and fares are right and they are perfectly competent to do that and they are a very easy body to approach.

I want to contradict one or two small matters which might have caused some misunderstanding. The Honourable Mr. Ram Saran Das accused us of having taken off the vacuum brakes from goods wagons during the war and sent them abroad. I deny that accusation. It never occurred.

2 P.M. What happened was that owing to high value of vacuum brake material, brass and so on, it was stolen very extensively during the War. It is a matter of common knowledge in railway circles and elsewhere that these thefts occurred and I repeat that there was no export from India to war areas of our vacuum brake materials. I also want to mention that there has been no excess purchase of 30,000 wagons as was stated here and no vast loss to the country. I think I explained the facts as well as I could in my budget speech. We have found, by making better arrangements for movement of wagons, by increasing the rate of repairs to wagons and by putting our traffic arrangements generally into better working order, that at the time when we were carrying the largest traffic we had a certain wagons spare. That being so, if we had over and

[Sir Clement Hindley.]

above the day's requirements for loading it does not mean that we could have taken away 30,000 wagons and put them in the sea.

(At this stage the Honourable Lala Ram Saran Das rose to make an interruption.)

THE HONOURABLE THE PRESIDENT: Order, order.

[The Honourable Member (Lala Ram Saran Das) resumed his seat.]

THE HONOURABLE SIR CLEMENT HINDLEY: I think the Honourable Member is perhaps going to quote the evidence given by me before the Agricultural Commission. If so, it is probable he has seen an incorrect report. It did occur during three months of last year that there were available on the railways 30,000 wagons over and above the day's requirements. At the present moment when we are carrying a big traffic, with very large coal loading in addition we have something like 5 or 6 thousand wagons standing ready for the next day's loading. It does not mean that we have a large number of wagons to spare which we can dispense with at once.

THE HONOURABLE LALA RAM SARAN DAS: I was referring to an answer given by Mr. Parsons in the Assembly.

THE HONOURABLE SIR CLEMENT HINDLEY: With regard to the criticisms of our workshops contained in the Raven Committee Report, I really expected exactly what I got from the other side of the House. When any one goes to the trouble of investigating a matter of this kind, he may be quite certain to get a little congratulation and a large amount of abuse. But the fact that we have found better methods of doing our work is not necessarily an indictment of what was being done before. Would you necessarily abuse a man who first rode a bicycle, instead of riding a horse. Would you abuse the man who flies and say "Why did you not tell us about this before?" It is obvious that these things are the result of very careful scientific research and we are benefiting from what has been done in other countries, using the experience of other countries and applying it to our own methods. It is not necessarily an indictment of our predecessors or ourselves three years ago. I have been told to-day that we are the most wasteful department in the Government of India. Well, I do not want to cast any reflection on any other department of the Government of India but I do not think we are fairly charged with wastefulness, because we have taken the trouble to find out better methods of doing our repairs in the workshops. I think it is a little unfair to say that because we have done so we are the most wasteful department. I do not see the logic of it myself but it seems to flow very freely from the Honourable Member's lips.

THE HONOURABLE MR. R. D. MORARJI: It might have been done 30 years ago.

THE HONOURABLE SIR CLEMENT HINDLEY: Honourable Members are going to see flying this afternoon. We should not abuse the flying men and say "Why didn't you do this 50 years ago?" That is my argument. Well, Sir, I do not want to take up the time of the House by going into further detailed criticisms that have been made, but I wish to refer to the remark that the Administration Report of the Railway Board

is not available except in very small numbers in the Library. I wish to say that these copies of the Administration Report might either be purchased if Members wish to do so or they could get them free if they asked the Railway Board for them. It has been the custom for several years to place them in the Library. They are supplied to members of the Standing Finance Committee and they will be supplied to any Members of the Legislature if they will ask for them.

Sir, in conclusion, I wish to express my thanks for the congratulations that the Railway Board have received. I notice that the congratulations came in first and the abuse came afterwards, but on the whole they were more or less balanced up and in my own mind they have certainly levelled up to this extent that I feel that I personally have had a very kind reception in this Council and I thank those Members who referred to me personally very much indeed for what they have said.

THE HONOURABLE THE PRESIDENT: I understand that there is a general desire among Honourable Members in the House to have an early day to discuss the important statement made by the Leader of the House this morning on the subject of South Africa and I understand also that the Honourable the Leader is prepared to accede to that desire and has suggested that Wednesday, the 23rd of February, might be a suitable date. That being so, I shall fix a meeting of the Council for Wednesday, the 23rd. It is for the Government to put down any business if they choose.

I also understand that several Honourable Members have availed themselves of the invitation of the Royal Air Force to give them flights to-morrow morning and it has been suggested to me that the Council might meet at a slightly later hour than usual, in order to give more time to Honourable Members and prevent disappointment. I have examined the list of business for to-morrow. It is not a very heavy one and I think therefore that I should be meeting the convenience of the Council as a whole if I directed that it should sit to-morrow at 12 o'clock instead of 11 o'clock.

The Council then adjourned till Twelve of the Clock on Tuesday, the 22nd February, 1927.

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