THE

LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume II, 1931

(19th February to 11th March, 1931)

FIRST SESSION

OF THE

FOURTH LEGISLATIVE ASSEMBLY, 1931

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1931

Legislative Assembly.

President:

THE HONOURABLE SIR IBRAHIM RAHIMTOOLA, K.C.S.I., C.I.K.

Deputy President:

MR. R. K. SHANMUKHAM CHETTY, M.L.A.

Panel of Chairmen:

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Secretary:

Mr. S. C. GUPTA, BAR.-AT-LAW.

Assistant of the Secretary:

RAI BAHADUR D. DUTT.

Marshal:

CAPTAIN NUR AHMAD KHAN, M.C., I.O.M.

Committee on Public Petitions:

MR. R. K. SHANMUKHAM CHETTY, M.L.A., Chairman. Sib Hugh Cocke, Kt., M.L.A.
Sir Abdur Rahim, K.C.S.I., Kt., M.L.A.
Raja Bahadur G. Krishnamachariar, M.L.A.
Mian Muhammad Shah Nawaz, C.I.E., M.L.A.

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LEGISLATIVE ASSEMBLY.

Monday, 9th March, 1931.

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

MEMBER SWORN:

Mr. Girja Shankar Bajpai, C.I.E., O.B.E., M.L.A. (Government of India: Nominated Official).

QUESTIONS AND ANSWERS.

RENT CHARGED TO THE POSTS AND TELEGRAPHS DEPARTMENT FOR ACCOMMODATION IN THE SECRETARIAT IN NEW DELHI.

- 853. *Mr. S. C. Mitra: (a) Is it a fact that rent is realised for the portion of the building in the Secretariat occupied by the office of the Director General, Posts and Telegraphs? If so, what amount has been realised during each of the years since 1926 and what amount has now been fixed?
- (b) Is it a fact that the full cost of the furniture supplied to that office cn coming to Delhi was also realised? If so, what is that amount? Will Government please state whether such cost was realised from other Departments and attached offices of the Government of India? If not, why not?
- (c) Is it because the Posts and Telegraphs Department is treated as a commercial concern of the Government of India that the Director-General's office is liable to pay rent for accommodation it occupies and was made to pay the cost of furniture also?
- (d) Is it a fact that in this manner a portion of the revenue of the Posts and Telegraphs Department is being regularly absorbed in the general revenue?
- (e) How is it that Government have allowed this drain on the Posts and Telegraphs revenue?
- Mr. J. A. Shillidy: (a) Yes. No rent was paid to the Public Works Department, for the period before the 1st April, 1929. For the year 1929-30, the Central Accounts Office, Public Works Department, New Delhi, was asked to accept the debit of Rs. 82,226. This excludes debit of Rs. 860 on account of rent of fans. The rent for the year 1930-31 still remains unadjusted.
- (b) The full cost of the furniture supplied to the office has been realised. The cost of the furniture was Rs. 56,000. The cost of furniture has been, or will be, recovered from other commercial Departments of the Government of India.
 - (c) The answer is in the affirmative.
- (d) and (e). The practice is in accordance with the principles of commercial accounting.

DEBIT AGAINST THE POSTS AND TELEGRAPHS DEPARTMENT OF THE COST OF POSTS AND TELEGRAPHS AUDIT OFFICES.

- 854. *Mr. S. C. Mitra: (a) Is it a fact that the cost of the Posts and Telegraphs Audit offices are paid by the Posts and Telegraphs Department?
- (b) If so, what amount has thus been spent during each of the last ten years, what amount will be required during the current year and what amount has been budgetted for the next year?
- (c) What other Departments and offices under the Central Government thus pay the cost of their Audit offices? If all the Departments, or at least the majority of them, do not pay will Government be pleased to say which of the Departments pay and which not? And why is such cost debited to the Posts and Telegraphs Department?
- (d) Are Government prepared to consider the question of sparing the department from this expenditure?

The Honourable Sir George Schuster: (a) Yes.

- (b) A statement is laid on the table.
- (c) Commercial Departments, for example, Railways, Northern India Salt Manufacturing Branch and the Lighthouses and Lightships Departments, are charged with the cost of audit, while service Departments are not. The Posts and Telegraphs Department being a commercial Department is charged like other commercial Departments with the cost of audit in order to show the true financial results of the working of such Departments.
- (d) As stated in my Budget speech, a committee is now sitting for the purpose of examining the present system of Posts and Telegraphs accounts. The committee will presumably not overlook the fact that the cost of audit is charged to the Department. As the charge on Government revenues would remain whether debited to the Posts and Telegraphs Department or not, the change suggested by the Honourable Member would not in itself justify a sacrifice of revenue.

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Actuals .
                                               1920-21
                                                         23,68 thousands.
                                               1921-22
                                                        24,98
                                                                  ,,
                                               1922-23
                                                         26,21
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                                              1923-24
                                                         25,04
                                                                  ,,
                                              1924-25
                                                         27,07
                                               1925-26
                                                         30,38
                                                         32,40
                                               1926-27
                                              1927-28
                                                         32,52
                                                                  ,,
                                              1928-29
                                                         33,98
                                               1929-30
                                                         35,13
                                                                  ,,
Revised Estimate
                                               1930-31
                                                         36,64
36,20
Budget Estimate
                                               1931-32
                                                                  .,,
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ACTION TAKEN ON THE MEMORIAL OF THE CLERICAL STAFF OF THE OFFICE OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

855cd *Mr. S. C. Mitra: (a) With reference to the supplementary question asked by Dr. Nandlall on the Honourable Member's reply to starred question No. 308, in the Assembly on the 18th July, 1930, will Government be pleased to say:

(1) why they had refused to grant the concession prayed for by the ministerial staff of the office of the Director General, Posts and Telegraphs;

- (2) what was the actual policy which prompted Government first (i) to refuse the grant of a certain concession to the staff; then (ii) to withhold the identical memorials of the staff addressed to the Secretary of State and then again (iii) to improve the pay of the same memorialists?
- (b) Will Government please state whether Government decided to withhold the identical memorials of the staff after Government arrived at a decision to take steps towards improving the pay of the same staff themselves and without intervention from the Secretary of State?
- (c) If so, will Government be pleased to say whether Government granted all the prayers of the staff made in their identical memorials addressed to the Secretary of State? If not, why not?
- Mr. J. A. Shillidy: (a) (1) On a consideration of the merits of the case Government did not consider that the grant of the concessions asked for was justified.
- (2) The reply to the first part of this question is given in my reply to part (1) above. As regards the second part, the memorials were withheld under the general rules governing the submission of memorials. As regards the third part, the pay of the memorialists was improved on the office of the Director-General being declared an attached office of the Government of India.
- (b) No. The memorials were withheld in June, 1929, and the grant to the staff in question of the same scales of pay as are ordinarily admissible in the attached offices of the Government of India was ordered in April, 1930, without any intervention from the Secretary of State. The two cases are quite independent of each other.
- · · (c) Does not arise.
- Annual Increments of Pay of the Ministerial Staff of the Office of the Director General of Posts and Telegraphs.
- 856. *Mr. S. C. Mitra: With reference to reply to parts (a) and (b) of starred question No. 312 in this Assembly on the 18th July, 1930, will Government be pleased now to say:
 - (a) (if the facts are substantially correct) what steps do they propose to take to ensure the ministerial staff concerned of the office of the Director General, Posts and Telegraphs, getting their annual regular increments in the ordinary course and in the same way as the staff of other offices of the Government of India under the Fundamental Rules;
 - (b) whether the staff of any other offices of the Government of India in New Delhi have similarly been deprived of their annual increments for so long a period as a result of the revision of their scale of pay;
- (c) if not, why a handful of the staff of the office of the Director General, Posts and Telegraphs, should thus be made to suffer?

- Mr. H. A. Sams: (a) The officials are actually getting their annual increments in the usual course, although these increases in their substantive pay are being set off against their existing personal pay in accordance with rule 37 of the Fundamental Rules.
 - (b) and (c). Do not arise in view of the reply to part (a).

REVISED PAY OF THE MINISTERIAL STAFF OF THE OFFICE OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

- 857. *Mr. S. C. Mitra: (a) With reference to reply to parts (a) and (b) of starred question No. 310 in the Assembly on the 18th July, 1930, in which it was said by Government that the revision of the pay of the ministerial staff of the office of the Director General, Posts and Telegraphs, was not for the benefit of the future incumbents, will Government be pleased to say now what actual monetary and prospective benefit was derived by the staff by the revision when the practice is, as has been defined by Government in reply to part (f) of starred question No. 312 in the Assembly on the 18th July, 1930?
- (b) Will Government be pleased to lay on the table, in this connection, a statement showing the actual monetary benefit derived by assistants and clerks of that office on service ranging from 10 to 30 years by the said revision and showing also the pay fixed for each as a result of the Government sanction on the recommendation of the Booth Committee in 1921?
- (c) Will Government also place on the table another statement showing the actual pay drawn by the clerical staff of the Railway Board, Director General, Indian Medical Service, Auditor General, Military Accountant General and Accountant General, Central Revenues, in similar services ranging from 10 to 30 years?
- Mr. J. A. Shillidy: (a) If the Honourable Member will kindly peruse the question and the replies to which he refers he will find that the statement which he attributes to Government was not in fact made.

As regards the second part of part (a) of the present question and also parts (b) and (c), no information is readily available and Government do not consider that the expenditure of time and labour involved in working out the figures could be justified by the public interest of the result.

DEPUTATION TO THE OFFICE OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS OF Mr. J. P. GANGULI.

- 858. *Mr. S. C. Mitra: (a) Will Government be pleased to say [if the fact was not as stated at part (a) of starred question No. 309 asked in this Assembly on the 18th July, 1930], what is the actual fact about Mr. J. P. Ganguli's deputation to the office of the Director General, Posts and Telegraphs?
- (b) Is it a fact that Mr. Ganguli had been twice deputed to that office? If so, for how long each time and on what special terms of reference was he deputed?
- (c) What amount of special allowance per month, excluding his substantive pay, was granted to him for the periods of his deputation and what amount of travelling allowance was drawn by him?

- (d) Is it a fact that simply to protect Mr. Ganguli and just to prevent his reversion to his substantive appointment when he was officiating in a higher one he was sent as special officer to the Director General's office each time?
- Mr. H. A. Sams: (a) Consequent on changes in the organisation of the office in April, 1928, it was found necessary to make a detailed review of the staff employed in the various branches and Rai Bahadur J. P. Ganguli was deputed to carry out that review.
- (b) Yes. For 12 days only on the first occasion and for about a month on the second occasion. On the first occasion in 1925, his special duty comprised an examination of the then existing organisation of the office and the submission of proposals relating to Central Budget and Establishment Branches. His special duty on the second occasion in 1928 is described in part (a) above.
- (c) He was allowed to draw a consolidated pay of Rs. 1,500 a month which included his substantive pay of Rs. 1,250. He drew travelling allowance at the rates admissible under the rules for officers of his class. Information of the actual amount of travelling allowance drawn by him is not readily available.
 - (d) No.

REDUCTION OF STAFF IN THE OFFICE OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

- 859. *Mr. S. C. Mitra: (a) With reference to reply to part (b) of starred question No. 309 in the Assembly on the 18th July, 1930, will Government be pleased to say how it was that the reduction of the staff of the office of the Director General, Posts and Telegraphs, was proposed by Mr. J. P. Ganguli without reduction of work?
- (b) How did Government accept such a proposal for reduction of staff without reduction of work proportionately?
- (c) Is this the accepted principle that reduction of staff can be effected in the Government of India offices without reduction of work?
- (d) Was this principle followed in any other offices of the Government of India—Secretariat or Attached Offices? If so, what are those offices? If not, was this principle followed only in the case of the office of the Director General, Poets and Telegraphs?
- (e) Will Government be pleased to say in this connection whether there was surplus staff in that office even after the reduction made as a result of the recommendation of the Booth Committee?
 - (f) If so, who is responsible for maintaining that surplus staff so long?
- Mr. H. A. Sams: (a) The reduction proposed by Rai Bahadur J. P. Ganguli was the outcome partly of the reorganisation of the office carried out in April, 1928, leading to a complete fusion of the working of the Telegraph and Postal Sides, partly of the introduction of more efficient methods of procedure and partly to a considerable further delegation of powers to Heads of Circles in December 1927. As a result the staff was found to be in excess of the actual requirements.
 - (b), (c) and (d). Do not arise in view of the reply to part (a).
 - (e) No.
 - (f) Does not arise.

REDUCTION OF STAFF IN THE OFFICE OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

- 860. *Mr. S. C. Mitra: Are the Assembly to understand from the reply "No" to part (a) of starred question No. 284 in this House on the 3rd February, 1931, that the work of the Posts and Telegraphs Department has not grown and that therefore reduction of the ministerial staff can be made at any time whenever Government think it necessary?
- Mr. J. A. Shillidy: The deduction from the previous reply referred to by the Honourable Member is not correct. The work of the Posts and Telegraphs Department has grown very considerably during the last few years but not on account of the activities specifically mentioned in the Honourable Member's previous question.

GRANT OF LOCAL HOLIDAYS TO THE STAFF OF THE OFFICE OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

- 861. *Mr. S. C. Mitra (a) Will Government be pleased to say whether local holidays are granted to the staff of the office of the Director General, Posts and Telegraphs, according to the notification of the Chief Commissioner of Delhi and if not, why not? Is that office permanently located here?
- (b) Is it a fact that in case of permanently located offices in New Delhi like the Director General of Posts and Telegraphs' office the Chief Commissioner's notification is followed?
- (c) Do Government propose to see that complaints of this kind in respect of the Director General's office staff are obviated and do not exist in future?
- Mr. J. A. Shillidy: (a) Before 1st April, 1930, the rules of the Government of India were in force in granting holidays to the staff of the Director-General's office. From that date the Director-General's office became an Attached Office and holidays were granted to the staff of the office in accordance with the Notification of the Chief Commissioner, Delhi. As however it was found most inconvenient for the disposal of urgent work during the Delhi season, largely in connection with preparation of replies to questions asked by Honourable Members of the Legislature, it was found necessary to return to the practice followed before the 1st April, 1930. The reply to the last part of the question is in the affirmative.
 - (b) I have no information.
- (c) The Honourable Member is referred to what I have said in reply to part (a).

Examinations held by the Public Service Commission.

- 862. *Shaikh Fazal Haq Piracha: Will Government be pleased to state:
 - (a) for how many vacant posts of First and Second Division clerks, routine clerks and typists in the Government of India ministerial service, was the competitive examination held by the Public Service Commission on the 23rd and 24th February, 1931;
 - (b) what was the total number of applicants for the above examination; how many of the applicants are B.As., B.A., I.L.Bs., M.As., and M.A., LL.Bs.?

- (c) what amount of money has been realized by Government as admission fee deposited by the applicants while submitting their applications;
- (d) how many of the applications were rejected and on what basis; whether the admission fee was refunded to the rejected applicants;
- (e) what is the total amount of examination fees realised by Government from the admitted candidates;
- (f) what are the Chief items of expenditure for the said competitive examination and what is the estimated expenditure under different items;
- (g) whether any saving is expected by Government out of the sum realised from the applicants and the candidates for the said examination after deducting the expenditure incurred in holding the examination; and
- (h) in the spirit of the above questions how much saving is annually made by Government in holding various competitive examinations through the Public Service Commission?

The Honourable Sir James Orerar: (a) Three places in each of the 1st and 2nd Divisions of the Secretariat; and 48 places in the typists and routine clerks Division in the Secretariat and Attached Offices.

- (b) There were 1,184 applicants of whom 365 were B.As., 22 B.A., LL.Bs., 53 M.As. and 6 M.A., LL.Bs.
- (c) Rs. 5,900.

1.

- (d) The applications of 81 men were rejected as they did not fulfil either the age or educational qualifications laid down for the examination. Their admission fees were not refunded. In the Press Communique issued by the Public Service Commission on the 16th October, 1930, of which a copy is laid on the table, it was clearly stated that fees would not be refunded.
- (e) Rs: 17,400.

| (f) and (g) — | $\mathbf{R}_{\mathbf{S}}$. |
|---|-----------------------------|
| Fees for setting papers and for correcting scripts Supervision and invigilation charges. | 3, 40 0 637 |
| Miscellaneous expenses | 1,800 |
| The total expenditure is | 5,837 |

Expenditure is, however, also incurred on other heads such as the printing of forms, question papers, etc.; the services of the Commission and its permanent staff in connection with this examination, which cannot easily he estimated. These charges are not included in the total given above. A net saving is expected.

(h) For the reasons given above, it is not possible to make an accurate estimate, but on the whole, the Public Service Commission estimate that they effect a saving on the competitive examinations.

PUBLIC SERVICE COMMISSION (INDIA).

Press Communiqué.

Examinations, the exact date of which will be announced later, will be held by the Public Service Commission in February 1931, (A) for First and Second Division clerkships in the Secretariat, (B) for clerkships in the Typist and Routine grade of the Secretariat and Attached Offices. The places available will be not less than:

- (1) 3 places in the First Division of the Secretariat.
- (2) 3 places in the Second Division of the Secretariat.
- (3) 48 places for posts of Typist and Routine clerks in the Secretariat and Attached Offices.

Two vacancies in the first category will be filled by open competition and one by a Muslim.

In the second category 2 places will be filled by open competition and one will be reserved for minority communities.

In the third category not less than 18 (15 Muslims, and 3 other minority communities) of the total, are to be filled by members of particular communities and not less than 6 of the vacancies will be for lady clerks.

It is possible that further vacancies may occur later.

Appointments to the above posts will be made on or before the 30th September 1931. The Head of the Department shall be at liberty to decide the order in which vacancies shall be filled as between minority candidates and others. Subject to this, successful candidates at the examination for Divisions I and II, and the Routine and Typists grade, will be offered posts in order of merit as vacancies occur, and posts reserved for candidates of a minority community will be offered to the successful candidates of that community in order of merit, provided that in each case the Public Service Commission are satisfied that the successful candidate is suitable in all respectsfor employment in the Ministerial Establishment of the Government of India.

Conditions applicable to both examinations.

- 1. Applications to appear at either of the examinations must be made on the printed form which can be obtained from the Secretary, Public Service Commission, Meccalie House, Delhi. Candidates must send in a request for these forms to the Public Service Commission not later than 15th November 1930. They will be issued to candidates after that date.
- 2. A candidate must forward with his or her Application Form (a) documentary evidence of age (b) certificates of good character (particulars concerning these will be found in the Application Form), and (c) a certified copy of his or her qualifications as prescribed in the following rules.
- 3. Fees must be paid into a Government Treasury and a Chalan for the amount of the fee must be sent to the Secretary, Public Service Commission. No claim for a refund of any fee paid will be entertained.
 - 4. The examinations will probably be held at the following centres:

Bombay, Calcutta, Delhi, Madras and Simla.

The maximum number of candidates to be admitted to either examination at any centre may, in the discretion of the Public Service Commission, be limited to such number, not being less than 100, as they may decide. If a limit is imposed the Public Service Commission will cause to be selected from among the applicants those who shall be admitted to the examination and in so doing will have regard to the representation of communities.

5. The Public Service Commission may, if they think it desirable, determine whatshall be the qualifying marks in all or any of the subjects of examination.

Examination for 1st and 2nd Division Clerkships.

- 6. Candidates must not be less than 22 years and not more than 24 years of age on the 1st November, 1930, and must either have passed the Cambridge School Certificate Examination or be graduates of a University incorporated by an Act of the Central or a Provincial Legislature in India or be graduates of the Mysore or the Osmania University.
- 7. The subjects of examination, the marks allotted and the time allowed for each subject will be as follows:

(a) Arithmetic.—Time one hour. Marks 100.

The questions will be designed to test intelligence, accuracy and rapidity in working.

(b) Handwriting.—Time 20 minutes. Marks 100.
Candidates will be required to copy a passage printed in English. Marks will be awarded for accuracy, legibility, neatness and speed. If a candidate is unable to copy the whole of the passage a deduction of marks will be made in proportion to the shortage.

(c) General Knowledge.—Time one hour. Marks 150.

Candidates will be required to give brief answers to questions concerning current events, common phenomena and matters of everyday interest or common knowledge.

(d) English Composition.—Time one hour. Marks 150.

Candidates will be tested in one or more of the following:

- (i) Drafting.
- (ii) Precis writing.
- (iii) Correcting mistakes in English.
- (iv) Proof correcting.

The tests will be of a high standard.

- 8. The candidates will be arranged in order of merit, on the result of the examination.
 - 9. The fee for the examination will be Rs. 20 payable as follows:
 - A Treasury Chalan for Rs. 5 must be forwarded with the application, and a Treasury Chalan for Rs. 15 must be forwarded after receipt of the Admission Card.

Examination for Typists and Routine Clerks.

- 10. Candidates must be not less than 20 years and not more than 24 years of ageon the 1st November 1930, and must have passed the Junior Cambridge Local Examination or the Matriculation Examination of an Indian University (vide paragraph 6) or in the case of a University which has no Matriculation Examination an equivalent
- 11. The subjects of examination, the marks allotted and the time allowed for each subject will be as follows:
 - (a) Arithmetic.—Time 1 hour. Marks 100.
 - (b) Handwriting.—Time 20 minutes. Marks 100.
 - (c) General Knowledge.-Time 1 hour. Marks 150.
 - (d) English Composition.—Time 1 hour. Marks 150.

The papers in all these subjects will be similar in character to those in the same subjects at the examination for 1st and 2nd Division clerkships, but will be of a lower

- 12. The examination will be held on the first working day immediately following the close of the examination for 1st and 2nd Division clerkships.
- 13. A test in typewriting will be held at a subsequent date for those candidates whose performance at the written examination justifies their admission to this test The test will be severe and no candidate will be appointed who does not satisfy it.
- 14. Candidates who have satisfied this test will be arranged in order of merit on the result of the examination.

15. The fee for the examination will be Rs. 15 payable as follows:

Treasury Chalan for Rs. 5 must be forwarded with the application and a Treasury Chalan for Rs. 10 must be forwarded after receipt of the Admission Card.

16. Candidates who wish to take both the above-mentioned examinations will, if qualified, be admitted to both for a fee of Rs. 5 on application for admission and Rs. 25 on admission.

A. G. DIX.

Secretary. Public Service Commission.

SIMLA;

The 16th October, 1930.

REPLY TO QUESTION RE TREATMENT OF PRISONERS OF THE NORTH WEST FRONTIER PROVINCE.

863. *Dr. Ziauddin Ahmad: With reference to starred questions Nos. 655 and 656 asked on the 23rd February, 1931, will Government be pleased to communicate the result of their enquiry to the House, and not send the reply privately to Seth Haji Abdoola Haroon?

The Honourable Sir James Crerar: Yes. On receipt of the information the replies will be made available to the House.

ALLEGED ANTI-MUSLIM POLICY IN THE RAILWAY CLEARING ACCOUNTS OFFICE,
NEW DELHI.

- 864. *Dr. Ziauddin Ahmad: Will Government be pleased to lay on the table all papers about the inquiry mentioned in the reply to starred question No. 653(k), asked on the 23rd February, 1931?
- Mr. A. A. L. Parsons: As no enquiry is mentioned in the reply to part (k) I presume the Honourable Member refers to part (e) of question No. 653 by Seth Haji Abdoola Haroon. If so, I would invite his attention to my reply to part (m) of the same question.

REPRESENTATION OF MUSLIMS IN THE PAY AND ACCOUNTS OFFICE, NEW DELHI.

- 865. *Lieut. Nawab Muhammad Ibrahim Ali Khan: (a) Will Government be pleased to state the number of Hindus, Muhammadans and Christians working in the office of the Pay and Accounts Officer, Government of India, New Delhi?
- (b) I_s it a fact that there is only one Muhammadan working in that office?
- (c) Will Government be pleased to state what special attention they have paid to the representation of Muslims in that office?

The Honourable Sir George Schuster: (a) 41 Hindus, 6 Muhammadans and 1 Christian in superior service.

- (b) No.
- (c) The instructions regarding the representation of minority communities are being strictly followed.

APPOINTMENT OF MUSLIMS IN THE FINANCE DEPARTMENT.

- 866. *Lieut. Nawab Muhammad Ibrahim Ali Khan: (a) Will Government be pleased to state the number of Hindus, Christians and Muslims in the establishment of the officer on Special Duty, Finance Department?
- (b) Is it a fact that not a single Muhammadan is in that branch of the Finance Department?
- (c) If the reply to the above questions is in the affirmative, will Government be pleased to state what steps they have taken to grant their due share to the Muhammadans in the above-mentioned branch of the Finance Department?

The Honourable Sir George Schuster: (a) 4 Hindus, 1 Christian and no Muhammadan clerks.

- (b) Yes.
- (c) It is difficult to arrange for the representation of minorities when the total strength is so small.

CLASSIFICATION OF SWEEPERS AND UNTOUCHABLES FOR THE CENSUS.

- 867. *Lieut. Nawab Muhammad Ibrahim Ali Khan: (a) Is it a fact that Government have issued instructions to the effect that the sweepers and untouchables should be entered as Hindus in the census papers, if they do not like to call themselves Muslims or Christians?
- (b) Has the attention of Government been drawn to the Ad Hindu Achhute Sabha's strong protest against their being entered as Hindus and to the fact that they are desirous of having themselves described as Achhutes or Ad-Dharmis; as well as to the articles in the Press on their behalf to the same effect?
- (c) Will Government be pleased to state the reasons, why they are to be entered as Hindus, when they desire to be entered as Ad-Dharmis?

The Honourable Sir James Crerar: (a) No.

(b) Yes.

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(c) Persons desirous of being recorded as Ad-Dharmis have been so recorded.

OUTLAY ON NEW DELHI AND COST OF ITS MAINTENANCE.

- 868. *Sirdar Sohan Singh: Will Government be pleased to state:

- (a) the total outlay on New Delhi to the end of 1930-31;
 - (b) the total maintenance charges of the Government buildings including roads, electric installations and gardens;
 - (c) the total cost of the Public Works Department establishment in charge of New Delhi, including all the officers on special duty; and
 - (d) the total income by way of rents of Government buildings?
- Mr. J. A. Shillidy: (a) The total outlay on New Delhi to the end of December, 1930, is Rs. 14,46,72,000.

- (b) The expenditure during 1929-30 on the maintenance of Government buildings in Delhi was Rs. 19,33,000.
- (c) The cost of the Public Works Department establishment employed in connection with all Central Public Works Department works during 1929-30 amounted to Rs. 17,40,000, which includes a sum of Rs. 1,51,000 on account of payments to the architects.
- (d) The total receipts during 1929-30 on account of rents of Government buildings amounted to Rs. 7,85,000.

Cost of the War Memorial Arch in New Delhi and of the Fire thereon,

- 869. *Sirdar Sohan Singh: Will Government be pleased to state:
 - (a) the total cost of the Indian War Memorial Arch with adjoining fountains;
 - (b) the annual cost of its maintenance;
 - (c) the annual cost of the fire on the arch being kept burning day and night; and
 - (d) whether some other cheaper method of keeping the fire burning could not be adopted?
 - Mr. J. A. Shillidy: (a) Rs. 7,50,000.
 - (b) The estimated annual cost of maintenance is Rs. 4,000.
- (c) It is not intended to maintain the fire continuously lit but only to light it on a few days during the year. The minimum cost of maintaining the fire alight is Rs. 27 per diem.

(d) No.

REDUCTION OF RAILWAY STAFF.

- 870. *Sirdar Sohan Singh: (a) Will Government state the total number of men on the Railways who are likely to be brought under retrenchment and the total number of such whose wages are below fifty rupees a month?
- (b) Will Government state whether they have examined the alternative policy to reductions of staff, namely retrenchment in administrative costs? If so, what are the conclusions arrived at by them?
- Mr. A. A. L. Parsons: (a) and (b). The extent to which economies can be effected on railways by the abolition of posts is under active and continuous examination by Railway Administrations and retrenchments are ordered only when the Administration is satisfied that posts are in excess of requirements. The examination is extended to all classes and grades of establishments, and administrative posts, which are surplus to requirements, will also be brought under reduction.

Until the investigations, which are being made by Railway Administrations, have advanced much further, it is not possible for Government to supply the ifformation asked for by the Honourable Member in part (a) of his question.

DUTIES OF THE RAILWAY MEMBER OF THE RAILWAY BOARD.

871. *Sirdar Sohan Singh: Will Government please state precisely the duties of the Labour Member of the Railway Board and what powers of patronage are possessed by him?

Mr. A. A. L. Parsons: The Honourable Member is presumably referring to the Member Staff Duties, who deals with all matters affecting staff including labour. A clear idea of the work devolving on this Member will be obtained from the Memorandum reviewing the work done by the Railway Board in staff and labour questions from April, 1929, to January, 1931, which was recently distributed to all Members of this House. He possesses no powers of patronage.

CONSULTATION OF THE RAILWAYMEN'S UNION ON THE POLICY OF RETRENCHMENT.

- 872. *Sirdar Sohan Singh: Will Government please state whether the Railwaymen's Unions have been consulted in regard to the policy of retrenchment and, if so, with what result?
- Mr. A. A. L. Parsons: No: but the Railway Board have instructed the Agents of the State-managed railways that "in any instance when it is proposed at one time to effect a comparatively large reduction of staff, say, 100 employees or more, the recognised trade union representing the interests of such employees should be informed as early as possible" of the proposal with a general statement of the reasons for the intended reduction. A copy of these instructions was sent to the Agents of the Company-managed railways.

APPOINTMENT OF A MUSLIM ON THE CLERICAL STAFF OF THE IMPERIAL LIBRARY, CALCUTTA.

- 873. *Mr. Muhammad Anwar-ul-Azim (on behalf of Mr. Abdul Matin Chaudhury): (a) Is it a fact that the post of a permanent clerk has fallen vacant in the Imperial Library owing to the recent death of a permanent member of its staff?
- (b) I_S it a fact that there are only two permanent Muslims as against thirteen Hindus on the clerical staff of the Imperial Library?
- (c) If the answer to part (b) is in the affirmative, will Government be pleased to state what steps do they propose to take in order to give the Muslims their due share on the staff of the Imperial Library and fill the vacancy referred to in part (a) by appointing a Muslim?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: (a) Government have no information, but have called for it.

- (b) Yes.
- (c) The matter will be brought to the notice of the Council of the Imperial Library.

RATE OF INTEREST PAID ON THE GENERAL PROVIDENT FUND.

- 874. *Sardar G. N. Mujumdar: Will Government be pleased to state:
 - (a) the total amount of General Provident Fund lying with Government at the end of March, 1930;
 - (b) the present rate of interest:
 - (1) on that Provident Fund, and
 - (2) on the loans raised by Government during the year 1980;

- (c) whether Government were requested to increase the rate of interest on the said Fund to 6 per cent.;
 - (d) the names of those from whom Government received representations in that connection; and
- (e) the reply given to them?

The Honourable Sir George Schuster: (a) Rs. 17,54,92,150.

- (b) (1). 5 per cent, free of tax.
- (2) 6 per cent. liable to income tax.
- (c) Yes.
- presentations regarding the rate of interest on deposits in the General Provident and other Funds from many Service Associations. Government have generally referred in their replies to the fixed formula introduced with their Finance Department Resolution of 10th March, 1930. The formula in question was described in my reply to part (c) of Lieut.-Colonel Gidney's starred question No. 627 on the 17th March, 1930, and a detailed description was published for the information of all concerned on the 6th December, 1930. The publication of full information in this Resolution should serve as a sufficient reply to all recent representations.

SECURITY REQUIRED FROM POST OFFICE AND CURRENCY OFFICE STAFF.

- 875. *Sardar G. N. Mujumdar: Will Government be pleased to state:
- whether the clerks in the Post and Currency Offices are required to furnish some kind of security;
 - (b) if so, whether they are required to deposit cash or furnish fidelity bonds;
 - (c) the name of the agency or agencies from which the security bonds are issued;
 - (d) the rate of premia charged by these agencies;
 - (e) whether the agency or agencies are European;
 - (f) if so, whether there is no Indian agency whose rates of premia are lower than those charged by agencies mentioned in part (c);
 - (g) whether there is any provision in the by-laws of the Currency Office Co-operative Credit Society to issue such bonds?

Mr. J. A. Shillidy: The replies to the questions are:

(a) Yes.

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(b) In the case of the Post Office security may take the form of cash, personal security or fidelity bonds.

In Currency Offices the men recruited since 1919 are required to furnish fidelity bonds, those appointed before 1919 can furnish security deposits either in Government promissory notes or in fidelity bonds.

(c) and (d). In the case of the Post Office, Government have no information regarding the names of the agencies employed nor regarding the rates. But a fidelity bond will be accepted from a reliable Insurance Company or from a Postal Co-operative Society, either of whom is approved by the Headon the Circle. In Currency Offices fidelity bonds of any reputable

company doing this class of business will be accepted. The company, to which the business is entrusted, and the rates are settled every year, the policies having a currency of one year at a time.

- (e) In the case of the Post Office, Government have no information. In the case of Currency Offices, the agency at present employed is of non-Indian domicile.
- (f) In the case of the Post Office, Government have no information. In the case of Currency Offices, no Indian Company has approached the Controller of the Currency for this purpose.
 - (g) No.

RATE OF INTEREST CHARGED BY GOVERNMENT FROM ITS OWN SERVANTS.

- 876. *Sardar G. N. Mujumdar: Will Government be pleased. to state:
 - (a) whether the rate of interest charged on the moneys of their own servants is much higher than that on the amounts borrowed from outside;
 - (b) if so, what the reasons are?

The Honourable Sir George Schuster: I regret that I have been unable to understand the precise meaning of the Honourable Member's question, but if he will speak to me, I will endeavour to give him any explanation which he desires.

MILITARY FORCES AND BANDS POSTED AT RAILWAY STATIONS.

- 877. *Mr. M. N. Rao: (a) Will Government be pleased to state, if it is a fact that military forces along with military bands have been posted in every principal railway station?
- (b) If the above be a fact, will Government be pleased to state, from what period they have been stationed, for what period they are likely to continue and with what objects and the probable cost of their maintenance?

Mr. G. M. Young: (a) No, Sir.

(b) Does not arise.

RECONSTRUCTION OF THE RAILWAY STATION AT FARIDPUR.

- 878. *Mr. S. C. Mitra: (a) Are Government aware that His Excellency the Governor of Bengal in July, 1929, was pleased to say about the Railway Station at Faridpur: "As regards the Railway Station, it appears to be generally admitted that the present station is unsuitable for such an important district town as Faridpur. My Government have approached the Railway authorities in this matter and it has now been agreed that a station should be erected on a new site and funds for this purpose are being provided for in the Budget of 1930-31"?
- (b) Will Government please state if any provision has been made in the Budget for the purpose? If not, why not?
- (c) Is it not a fact that numerous petitions have been submitted during the last 15 years for better accommodation and change of site of the temporary Railway Station at Faridpur, which is now two miles away from the town and outside the Municipal area?

- (d) Is it a fact that the station consists of a Booking Office $19\frac{1}{2}' \times 7\frac{1}{2}'$ and $7\frac{1}{2}'$ high, with one small window and one door and a Station Master's room in a thatched house measuring $12' \times 12' \times 7\frac{1}{2}'$?
- (e) Is it a fact that the average annual income of this Station is about Rs. 4,50,000 against an expenditure of about Rs. 35,000 and even in this year of depression, the income of this station has increased?
- (f) When are Government likely to erect a proper station on a new site in the town?
- Mr. A. A. L. Parsons: I am making enquiries and a reply will be sent to the Honourable Member as soon as the information has been collected.

RAILWAY FREIGHT CHARGES ON THE NORTH WESTERN RAILWAY.

- 879. *Mr. E. P. Sykes: Will Government please state:
 - (a) what percentage of increases in freight charges has been made on the North Western Railway for carriage of cotton since 1913;
 - (b) what percentage of increase has been made on that Railway for transport of
 - (i) wheat,
 - (ii) other commodities; and
 - (c) the percentage of increase or decrease in the prices of cotton and wheat since 1913?
- Mr. A. A. L. Parsons: (a) The percentage increase in freight charges on the North Western Railway for cotton, comparing 1913 with 1930, varied according to the stations from and to which traffic was booked. In bookings to Karachi the percentage increase was from 105 to 204, and in bookings from and to other stations from about 85 to 100. The large increases in the raw cotton rates on the North Western Railway are due to the fact that, prior to the War, these rates on the North Western Railway were lower by 34 per cent. or more than the rates on the other principal railways. These rates had been unduly depressed for competitive reasons before the war, and during the war were raised to the level prevailing on the other railways. In 1922, when the rates for goods traffic generally were enhanced on all railways by from 15 to 25 per cent. the rates for cotton were put up by 25 per cent.
- (b) (i) The percentage increase in freight charges on the North Western Railway for wheat, comparing 1913 with 1930, varied according to the stations from and to which traffic was booked. In bookings to Karachi the percentage increase was from 20 to 28, and in bookings from and to other stations there has been a decrease in the freight over 800 miles and an increase in the freight over shorter distances, the percentage increases being 11 for 700 miles, 16 for 500 miles, 32 for 300 miles, 37 for 150 miles and 39 for 100 miles.
- (ii) The percentage increases in the rates for other commodities vary according to the commodity and the stations from and to which booked. To work out these variations for each such commodity would necessitate a considerable amount of work, but if the Honourable Member will specify which commodities he has in mind, I will see if the information required by him can be obtained.

(c) The average wholesale prices of cotton (M. G. F. G. Broach) and wheat (Punjab-Karachi) during 1930-31 show a decrease of nearly 30 and 20 per cent., respectively, as compared with the corresponding prices of these articles during 1913-14.

MILITARY FORCE ATTACHED TO THE SOUTH INDIAN RAILWAY.

- 880. *Mr. B. Rajaram Pandian: Will Government be pleased to state:
 - (a) if there is any military or quasi-military force attached to the South Indian Railway;
 - (b) if the answer to part (a) is in the affirmative, in what and how many railway stations on the South Indian Railway are they located;
 - (c) what is the strength of the force located in each of the railway stations on the said Railway;
 - (d) what is the establishment charge of each force; and
 - (e) if they have considered the abolition of the said force, in view of the fall in railway earnings; if not, why not?
- Mr. G. M. Young: (a) the South Indian Railway, in common with other railways, has an Auxiliary Force unit composed of employees of that railway.
- (b) and (c). The headquarters are located at Trichinopoly and have a strength of 590 men. The location and strength of detachments are as follows:

| | | | | | | | | | | | | Men |
|-----------|----|---|---|-----|---|---|---|---|---|---|---|-----|
| | | • | • | • | | | • | | | | | 47 |
| Villupura | m | • | • | • | | • | | | | | • | 185 |
| Madras | • | • | • | | | | • | | • | | | 111 |
| Madura | • | • | • | | | • | | • | | | | 141 |
| Quilon | | • | • | • | | • | • | | | | | 56 |
| Podanur | •. | | | • | | | • | | | | | 99 |
| Coonoor | | • | | • | | | • | | | | ٠ | 31 |
| Calicut | • | • | • | • | • | • | • | • | • | • | • | 55 |
| Salem | • | • | | • • | • | • | | | | • | | 59 |

- (d) The cost of the whole unit is about Rs. 1,70,000 annually.
- (e) Government do not propose to abolish the unit. The expenditure is met from Army funds and not from railway earnings.

BAND FOR THE SOUTH INDIAN RAILWAY.

- 881. *Mr. B. Rajaram Pandian: Will Government be pleased to state:
 - (a) if there is any band attached to the South Indian Railway Department;
 - (b) if the answer to part (a) is in the affirmative how many bands are there;
 - (c) the cost of the establishment; and
 - (d) the necessity for such a band?

Mr. G. M. Young: (a) Yes.

- (b) One.
- (c) and (d). The information has been called for, and will be supplied to the Honourable Member on receipt.

Diwan Bahadur A. Ramaswami Mudaliar: May I inquire why, when the Government do not feel the necessity of abolishing the band, they still want to call for further information?

Mr. G. M. Young: No, Sir; but I thought it as well to inquire about the particular necessity for this band as distinct from the general necessity for bands.

DISPUTES BETWEEN COOLIES AND A JAMADAR AT LAHORE RAILWAY STATION.

882. *Shaikh Sadiq Hasan: Will Government be pleased to state:

- (a) whether the Station Superintendent, Lahore, or other railway officials interfered in the disputes between the coolies at Lahore Railway Station and their Jamadar, during the years 1925 to 1930;
- (b) whether in 1930 the Station Superintendent by his own order dismissed 15 coolies; and whether an enquiry was held previous to the order of dismissal; and
- (c) whether it is a fact that these 15 coolies had made charges of corruption and extortion against the Jamadar; if so, what the charges were?
- Mr. A. A. L. Parsons: With your permission, Sir, I will reply to questions Nos. 882 and 883 together. Government have received no information regarding the matters referred to in these questions, but the Agent of the North Western Railway has been asked for a report and I will communicate with the Honourable Member later.

DISPUTES BETWEEN COOLIES AND A JAMADAR AT LAHORE RAILWAY STATION.

†883. *Shaikh Sadiq Hasan: Will Government be pleased to state:

- (a) whether after repeated interference and action in the disputes between the coolies and the Jamadars at Lahore Railway Station, the Divisional Superintendent, Lahore, by his letter dated the 10th December, 1930, has informed the complaining coolies that the Railway Administration were not going to settle differences between the parties; if so, who is to settle the differences; if the Jamadar was in the wrong how are the coolies to obtain redress;
- (b) whether the coolies have, in reply to the letter mentioned above, made representations that the Railway Administration have always been interfering; and that the remarks in the letter of the Divisional Superintendent that the enquiry had been held and that the coolies had failed to produce the documentary evidence in support of their contentions are wrong as they were never called upon to produce evidence;

- (c) whether the railway authorities have been appointing the Jamadars and have always refused to give the coolies the option to elect a Jamadar of their own choice;
- (d) whether the present Jamadar had previously the loading and unloading contract, and it was taken away from him; if so, for what reasons; and
- (e) what is the total number of coolies engaged at Lahore Railway Station and on what terms?

Non-Appointment of an Indian to a Leave Vacancy in the Political Department of the North West Frontier Province.

- 884. *Shaikh Sadiq Hasan: (a) Will Government be pleased to state the total number of Indian and European officers of the Political Department working in the North West Frontier Province and the length of their services?
- (b) How many of these officers, Indians and Europeans separately, have officiated as Political Agents or Deputy Commissioners?
- (c) Is it a fact that a junior European officer was brought from another district in the place of Col. Rae when he proceeded on leave while a most senior officer namely K. B. Saadullah Khan, who was working in that District, was not appointed in Col. Rae's place? If so, why?
- Mr. J. G. Acheson: (a) and (b). A statement furnishing the required information is laid on the table.
- (c) No, Sir. An officer returning from leave was posted to act for Colonel Rae. K. B. Saadullah Khan was at the time holding the appointment of District Judge, Hazara.

Political Officers serving in the North West Frontier Province, in March, 1931.

| | Europeans. | | | Indians. | |
|--------------|---|---|--------------|---|--|
| Total No. | Approximate length of Service rendered in the Political Department. | No. of officers who have held posts of Deputy Commissioners or Political Agent. | Total No. | Approximate length of Service rendered in the Political Department. | No. of officers who have held posts of Deputy ('om- missioners or Politicel Agents. |
| 28 | Years. 1 officer 26 2 officers 26 (each) 1 officer 23 2 officers 22 (each) 2 officers 16 (each) 1 officer 12 1 officer 11 1 officer 10 1 officer 9 4 officers 7 (each) 3 officers 6 (each) 5 officers 5 (each) 3 officers 3 (each) | 19 | 6 | Years. 1 officer 9 1 officer 6 1 officer 5 2 officers 3 (each) . 1 officer 1 | 1 |

REPRESENTATION OF MUSLIMS IN THE SUBORDINATE ACCOUNTS SERVICE.

- 885. *Shaikh Sadiq Hasan: Will Government be pleased to state:
 - (a) the total number of posts in the Subordinate Accounts Service sanctioned for the offices under the control of the Auditor General:
 - (b) how many of these are held by Mussalmans; and
 - (c) whether they have considered the advisability of issuing instructions to secure a fair representation of the Mussalmans?

The Honourable Sir George Schuster: With your permission, Sir, I will reply to questions Nos. 885 to 890 together. The information is being collected and enquiries are being made, and a reply will be sent to the Honourable Member as soon as possible.

REPRESENTATION OF MUSLIMS IN ACCOUNTS OFFICES.

†886. *Shaikh Sadiq Hasan: Will Government be pleased to state:

- (a) the number of clerical appointments sanctioned for the offices of the Auditor General, Accountant General, Central Revenues, Accountant General, Posts and Telegraphs, Director of Commercial Audit, Pay and Accounts Officer, Secretariat, Pay and Accounts Officer, Delhi Administration and Central Accounts Officer, Public Works Department;
- (b) how many of these are held by Mussalmans; and
- (c) what action has been taken in these offices to secure a fair representation of Mussalmans?

APPOINTMENT OF MUSLIMS AS ASSISTANT ACCOUNTS AND ASSISTANT AUDIT OFFICERS.

†887. *Shaikh Sadiq Hasan: Will Government be pleased to state:

- (a) the total number of posts both permanent and temporary of Assistant Accounts and Assistant Audit Officers under the control of the Auditor General in India;
- (b) how many of these posts are held by Mussalmans;
- (c) what action has so far been taken to give effect to Assembly's declared policy that no community should preponderate in any service; and
- (d) what action Government propose to take in the future to ensure proper representation of Mussalmans in the cadre of Assistant Accounts and Assistant Audit Officers?

APPOINTMENT OF MUSLIMS TO THE CLERICAL ESTABLISHMENT OF THE ACCOUNTANT GENERAL, CENTRAL REVENUES.

†888. *Shaikh Sadiq Hasan: Will Government be pleased to state:

(a) whether any examination confined to minority communities was held for recruitment to the clerical establishment of the office of the Accountant General, Central Revenues; if so, when;

[†]For answer to this question, see answer to question No. 885.

- (b) how many applicants qualified themselves in the examination and how many of these were Mussalmans;
- (c) how many of the Mussalman candidates who qualified themselves have since been appointed;
- (d) if it is a fact that, before all the candidates who qualified themselves at this examination have been absorbed, it is proposed to hold another examination for recruitment which will be open to all communities;
- (e) whether they propose to consider the advisability of instructing the Accountant General, Central Revenues, that Mussalmans who have qualified themselves in the previous examination should be provided with appointments before the candidates qualifying at the second examination are appointed; and
- (f) whether they are prepared to consider the advisability of reserving a certain number of posts for Mussalmans?

RETENTION OF MUSLIMS ON REDUCTION OF STAFF OF ACCOUNTS AND AUDIT OFFICES IN DELHI.

+889. *Shaikh Sadiq Hasan: Will Government be pleased to state:

- (a) whether any reduction is proposed in the clerical staff of the Accounts and Audit Offices situated in Delhi; and
- (b) whether they have considered the advisability of issuing instructions that the Mussalman members of the staff should be the last to be brought under reduction?

REPRESENTATION OF MUSLIMS IN THE SUBORDINATE ACCOUNTS SERVICES OF CERTAIN OFFICES.

†890. *Shaikh Sadiq Hasan: Will Government be pleased to state:

- (a) the total number of posts of the Subordinate Accounts Service sanctioned for the office of the Auditor General, Central Revenues, and for the offices under the control of the Accountant General, Posts and Telegraphs, Director of Army Audit, Officer on Special Duty, Finance Department, and the Director of Commercial Audit;
 - (b) the number of Mussalmans holding these posts in the respective cadres; and
 - (c) whether Government are prepared to consider the necessity of issuing instructions to secure a proper share of representation for the Mussalmans?

Number of Officers of each Community appointed to the Medical Department of the North Western Railway.

891. *Shaikh Sadiq Hasan: Will Government please state the number of officers of each community taken in the Medical Department, North Western Railway, since the organisation of that Department?

Mr. A. A. L. Parsons: The numbers are as follows:

| Europeans | | | | | | | 2 |
|-----------------|--|--|---|---|---|---|-----|
| Hindus . | | | | • | | | 2 |
| Sikhs . | | | | | • | | 1 |
| M uslims | | | • | | • | • | . 1 |

[†]For answer to this question, see answer to question No. 885.

Year.

- NUMBER OF CLERKS OF EACH COMMUNITY EMPLOYED IN THE OFFICE OF THE CHIEF MEDICAL AND HEALTH OFFICER, NORTH WESTERN RAILWAY.
- 892. *Shaikh Sadiq Hasan: Will Government please state the number of permanent and temporary clerks of each community at present employed in the office of the Chief Medical and Health Officer, North Western Railway?
- Mr. A. A. L. Parsons: Government regret that they are not prepared to supplement with figures for particular offices or classes of posts the information in regard to communal representation in Railway Services given in the Annual Administration Report on Indian Railways.

Administration of the Major Ports of India.

893. *Sardar G. N. Mujumdar: Will Government be pleased to place on the table copies of the papers which were placed on the table relating to the replies given to starred questions Nos. 565, 566, 569, 570, 571 and 572, asked on the 30th of August, 1927, in connection with the administration of the major ports of India?

The Honourable Sir George Rainy: No papers were placed on the table in reply to the questions referred to by the Honourable Member. I am, however, forwarding to the Honourable Member copies of the replies to those questions. The Honourable Member will no doubt realise that the information given in those replies is now in certain respects out of date.

PROTECTION OF THE INTERESTS OF PADDY CULTIVATORS.

- 894. *Mr. K. P. Thampan: Will Government be pleased to state:
 - (a) the total quantity of rice imported into this country during the last three years;
 - (b) the important centres at which rice is imported at present;
 - (c) the selling prices of indigenous rice and foreign rice in this country for the last three years; and
 - (d) whether Government propose to take any action either by way of a tariff duty or otherwise to protect the interests of paddy cultivators in this country?

Tons.

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: (a) The total quantity of rice imported into India during the last three years has been:

| April l | 930 to | Janua | ry 19 | 31 | • | • | | 4,645 (Rice not in the husk). |
|---------|--------|-------|-------|----|---|---|----|-------------------------------|
| 1929-3 | 0. | • | • | | • | | | 6,360 |
| 1928-29 | θ. | | , | | | | •• | 169,919 |
| 1927-28 | 3. | | • | • | • | • | • | 81,946 |

- (b) Madras is the only important centre at which rice is imported at present.
- (c) A statement showing the selling prices of indigenous rice in India from April 1927 is laid on the table. Similar information regarding foreign rice is not available, but as I have mentioned in reply to part (a) of the question, the imports of this are at present negligible.
- (d) The Government do not, as at present advised, propose to take action in the directions indicated.

(Taken from Indian Trade Journal.)

The selling prices* of indigenous Rice in India during the years 1927-28 to 1929-30 and 1st April, 1930 to 1st March, 1931.

| Rice. | April 1927. | July 1927. | October 1927. | J928. | April 1928. | Jaly 1928. | October 1928. | Jany. 1929. | April 1929. | July 1929. | October 1929. | Jany. 1930. | April 1930. | July 1930. | October 1930. | (a) Jany. 1931. | (a) Feby. 1981. | March 1831. |
|---|-----------------|---------------|------------------|----------|-----------------|---------------|------------------|----------------|----------------|---------------|------------------|----------------|----------------|---------------|------------------|-----------------------|-----------------------|-----------------|
| | Be. s. | R8. 8. | Вя, в. | Bs. s. | Rs. s. | B8. a. | В. в. | Rs. s. | Ba. a. | Вя. в. | Rs. a. | R8. 8. | R8. a. | R8. 8. | Rs. a. | Rs. s. | R8. 8. | Bs. a. |
| Big Mills Specials (Mangoon) per 100 . baskets of 75 lbs. each. | 460 0 | 8 404 8 | 4 26 0 | 868 | 385 0 | 388 | 432 8 | 392 8 | 370 0 | 436 0 | 780 0 | 8 298 | 380 | : | 327 8 | 210 0 | 210 0 | 185 0 |
| mall Mils Specials (Rangeon) per 100 baskets of 75 lbs. each. | 8 22 | 88.8 | 446 0 | 423 | \$08 8 | 0 21 | 0 98 | 8 8 8 | 0 00 | 4 8 | 475 0 | 370 0 | 0 088 | | 8 282 | 225 0 | 222 8 | 0 008 |
| Secta No. 1 (Calcutta) per Bengal Maund. | 95 C5 | 4 | 6 | O | σο σο | 7 13 | 7 10 | 4 | 4 | | * * | 6 13 | | | 9 10 | 5 12 23 | <u>8</u> 8 | a . |
| Ballam No. 1 (Calcutta)! per bengal Maund. | 64 20 | en en | ∞ | 0 | 4 | 4 | 6 14 | 2 | 6 | 90 © | * , | æ • | • • | : | 971 CD | e | @4 8 | (e) 14 14 |

Diwan Bahadur T. Rangachariar: With regard to the statement about Madras importing rice, may I know from what part does Madras import rice?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: Did you say Madras?

Diwan Bahadur T. Rangachariar: Yes.

The Honourable Khan Bahadur Mian Sir Fazi-i-Husain: I shall have to ask for that information.

Mr. K. P. Thampan: With reference to the answer given to part (d) of my question, can Government think of protecting the rice growers in any other way than by raising the tariff duty?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: That is a 'matter which would require a careful examination.

Mr. K. P. Thampan: Will Government be pleased to make the necessary examination?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: Certainly.

REPORT SUPPLIED TO THE MURARKA PAINT AND VARNISH WORKS, LTD.

- 895. *Mr. S. C. Mitra: (a) Is it a fact that in accordance with the suggestion made in reply to starred question No. 173 and the replies to supplementary question thereto on the 16th July, 1930, a representation was made by Messrs. The Murarka Paint and Varnish Works, Ltd., for the supply of a test certificate for the exposure test carried out by the Alipore Government Test House of the Bituminous Solution called "Murabit"?
- (b) If so, is it a fact that the verbatim copy of the report has been supplied to them on the understanding that it is only to be communicated to the members of the Company?
- (c) Will Government be pleased to state the reasons for making the stipulation referred to in part (b)? Are Government aware that the stipulation prevents the Company from utilizing the report?
- (d) Do Government propose to lay a copy of the report supplied to Messrs. The Murarka Paint and Varnish Works, Ltd., Calcutta, on the table of the House for the information of the members of this House and the public? If not, why not?
- Mr. J. A. Shillidy: With your permission, Sir, I propose to reply to questions Nos. 895 and 896 together. There is a suggestion that preference is given in treatment to the Indian Cable Company as against Messrs. Murarka Paint and Varnish Works, Ltd. In the case of the latter, the examination was carried out for purely departmental purposes on samples and a report on that basis was prepared. As an act of grace a copy of the report was supplied to Messrs. Murarka Paint and Varnish Works, Ltd., free of charge. In the case of the Indian Cable Company, however, certain of their products are under constant examination and test by the technical staff of the Indian Stores Department for which services the Company pays. The labels which the Company attach to their products certify that the materials to which they are attached have been inspected and comply with certain specifications. It will be seen, therefore, that there is no similarity in the circumstances under which the report and certificates referred to were issued to the two Companies.

CERTIFICATES GRANTED BY THE INDIAN STORES DEPARTMENT.

- †896. *Mr. S. C. Mitra: (a) Is it a fact that a certificate was awarded to the Indian Cable Company by the Indian Stores Department?
- (b) Are Government aware that such a certificate is being utilised by them in the form of a label with every product that is sent out of their shops?
- (c) Will Government be pleased to state the reasons why the report or certificate granted by the Indian Stores Department for the Murapit of the Murarka Paint and Varnish Works, Ltd., Calcutta, contains a proviso clause to the effect that the certificate or report granted is only to be communicated to the members of the Company?
- (d) Will Government be pleased to state whether the certificate granted to the Indian Cable Company for their cables contained the same clause that it is only to be communicated to the members of the Company?
- (e) If not, will Government be pleased to state the reasons of such differential treatment meted out to two different companies?

SHAREHOLDERS AND DIRECTORS OF THE INDIAN CABLE COMPANY.

- 897. *Mr. S. C. Mitra: (a) Is it a fact that the Indian Cable Company consists of European share-holders?
- (b) Is it a fact that the said Company is managed by a Board of Directors consisting of only Europeans?
- Mr. J. A. Shillidy: (a) There was a substantial number of Indian shareholders up to 1928. No later information is available, but such information can always be had from the Registrar of Joint Stock Companies. I may also mention that there is nothing to prevent Indians holding shares of this Company.
 - (b) The reply is in the negative.

SHAREHOLDERS AND DIRECTORS OF THE MURARKA PAINT AND VARNISH WORKS, LTD.

- 898. *Mr. S. C. Mitra: (a) Is it a fact that the Murarka Paint and Varnish Works Ltd., consists only of Indian share-holders?
- (b) Is it a fact that the Board of Directors of the Murarka Paint and Varnish Works Ltd., consists of only Indians?
- Mr. J. A. Shillidy: (a) and (b). The information desired by the Honourable Member can be obtained from the Registrar of Joint Stock Companies, Bengal.

ARREST AND RELEASE OF KHAN SAHIB ABDULLAH JAN AT CHARSADDA.

- 899. *Lieut. Nawab Muhammad Ibrahim Ali Khan: (a) Has the attention of Government been drawn to the article in the Inqilab dated the 24th February, 1931, regarding the arrest and subsequent release of Khan Sahib Abdullah Jan, Rais and Honorary Magistrate, Charsadda, under the orders of the Assistant Commissioner, Charsadda?
 - (b) Under what law was he arrested and for what reasons?

[†]For answer to this question, see answer to question No. 895-

- (c) Was he committed to custody and kept confined in a room the whole night?
- (d) Is it a fact that the next morning the said Khan Sahib was transferred to a cell with barred windows situated in a public place?
- (e) Is it a fact that on the 6th February, the Khan Sahib applied by a written application to the Assistant Commissioner to enquire why he was arrested and being kept in confinement?
- (f) Was a warrant showed to him then to inform him that he was arrested because land revenue for his Zail was in arrears?
- (g) Under what law is it legal to arrest and commit to custody a Zaildar in order to recover arrears of revenue due from his Zail and not from him personally?
- (h) Was the Khan Sahib released afterwards on the ground that he was not personally liable for the arrears of the Zail?
- (i) If the above facts are true, what action did Government take or propose to take for this arrest and confinement against those responsible for it?

Mr. J. G. Acheson: (a) Yes.

- (b) Under section 69, Punjab Land Revenue Act as a Revenue defaulter.
- (c) He was confined in the Revenue lock-up under section 69 (2) of the Act.
- (d) He was transferred to another cell as it was considered undesirable that he should be associated with other defaulters.
- (e) The Assistant Commissioner received a petition from Counsel on the defaulters behalf on the same day.
- (f) He was arrested on regular warrant and brought to Charsadda and was personally informed by the Assistant Commissioner of reasons for his arrest. He was a defaulter in personal revenue quite apart from the fact that there were arrears in his Zail and the personal revenue was specified on the Warrant.
- (g) The Honourable Member is referred to the answer to part (b) of the question.
 - (h) No. He was released on giving security for revenue due from him personally.
 - (i) Does not arise.

IMPRISONMENT OF GHULAM MUHAMMAD KHAN.

- 900. *Mr. M. Maswood Ahmad: (a) Is it a fact that one Ghulam Muhammad Khan of Land Kher, Peshawar District, was sentenced to three years' imprisonment on the 11th May, 1930?
- (b) Is it a fact that on the 26th June, 1930, during his absence in the Jail, a building owned by him was raised to the ground?
- (c) If the reply to part (b) above be in the affirmative, will Government please state the reasons of doing so?
- (d) Were any objectionable articles found in that building? If so, what?

- Mr. J. G. Acheson: (a) Ghulam Muhammad Khan was required to furnish security to be of good behaviour and to refrain from anti-Government activities. He refused to do so and consequently underwent imprisonment.
- (b) His hujra was partially dismantled, but was not raised to the ground. All the furniture was removed before the dismantling was begun.
- (c) The reason was that his hujra was used for a long time even after his arrest as the Headquarters of an unlawful association.
- (d) Yes. A Congress flag and a considerable amount of unlawful literature was found in the hujra.

APPOINTMENT OF SIKHS IN THE FOREIGN AND POLITICAL DEPARTMENT.

- 901. *Sardar Sant Singh: (a) Will Government be pleased to state the number of Sikhs at present employed in the Foreign and Political Department of the Government of India?
- (b) How many vacancies occurred during the last two years in that Department? How many applications were received? How many of the applicants were Sikhs and how many of the Sikhs were taken?
- Mr. J. G. Acheson: It is presumed that the question relates to the ministerial establishment of the Foreign and Political Department. If so the reply is:
 - (a) Seven.
 - (b) 32 vacancies occurred in the Foreign and Political Department during the last two years. 180 applications were received. Four applicants were Sikhs, of whom two were taken.
- Mr. S. G. Jog: May I know what are the qualifications required for the appointment of higher officials in the Foreign and Political Department of the Government of India?
- Mr. J. G. Acheson: That does not seem to arise out of this question, but I shall be glad to give the Honourable Member information if he gives me notice.

APPOINTMENT OF SIKHS IN THE FOREIGN AND POLITICAL DEPARTMENT.

- 902. *Sardar Sant Singh: (a) Is it not a fact that the Government of India stand committed to protect the interests of all minorities and not only the Muslim minority?
- (b) Is it a fact that a Muslim candidate was selected for appointment in the Political Department in preference to two Sikhs? Is it a fact that the Muslim candidate had not passed the promotion examination for the rank of Captain while both the Sikh candidates had passed the examination?
- (c) Is it a fact that passing of the examination is a condition precedent for such appointment? Will Government state the reason for such differential treatment between the two important minority communities?
- Mr. J. G. Acheson: (a) The policy of Government is to avoid the undue preponderance of any one class or community in the Government service. This connotes the paying of due attention to the interests of the various minority communities.

- (b) The two most suitable candidates from amongst Indian King's Commissioned applicants for appointment to the Political Department were selected. They both happened to be Muslims. One was appointed on the understanding that he qualified for promotion to the rank of Captain in the Indian Army within one year of his appointment to the Department.
- (c) The rules relating to admission to the Foreign and Political Department lay down that applicants shall normally have passed the prescribed examinations for promotion to the rank of Captain before appointment to the Department. There have been several cases, however, where this rule has been waived on the understanding referred to in (b) above.
- Sardar Sant Singh: May I know why the Sikh candidates were superseded though they were qualified and had passed the examination?
- Mr. J. G. Acheson: The other candidates were considered on general grounds to have superior claims.

Sardar Sant Singh: May I know what is the meaning of general grounds?

Mr. J. G. Acheson: Taking all their qualifications and all the circumstances into account.

APPOINTMENT OF SIKHS ON RAILWAYS.

- 903. *Sardar Sant Singh: Will Government be pleased to furnish the following information regarding the number of Sikhs employed in the Railway Department both on State-managed and Company-managed Railways:
 - (1) Employees drawing less than Rs. 30 per mensem;
 - (2) Employees drawing Rs. 30 to Rs. 59 per mensem;
 - (3) Employees drawing Rs. 60 to Rs. 99 per mensem;
 - (4) Employees drawing Rs. 100 to Rs. 249 per mensem;
 - (5) Employees drawing Rs. 250 and upwards?
- Mr. A. A. L. Parsons: Government regret that the information asked for by the Honourable Member is not available.

RECRUITMENT ON STATE-MANAGED RAILWAYS.

- 904. *Sardar Sant Singh: Will Government be pleased to lay on the table a statement showing the recruitment made during the last four years on State-managed railways for the various superior services with special reference to the Sikhs?
- Mr. A. A. L. Parsons: The annual recruitment made to posts of gazetted rank on State-managed Railways is shown in Chapter VI of the Annual Reports by the Railway Board on Indian Railways. The number of Sikhs appointed during the last four years to such posts is as under:

Engineering One in 1927-28, one in 1928-29 and 2 in 1929-39.

Transportation (Traffic) and Commer- One in 1928-29.

Other Departments (Medical) . One in 1926-27 and one in 1929-30.

Of these, the appointment to the Engineering Department made in 1927-28 was in the Local Engineering Service while all other appointments were to the Superior Services.

UNSTARRED QUESTIONS AND ANSWERS.

EMPLOYMENT OF CERTAIN INDIAN ELECTRICAL ENGINEERS.

266. Mr. Gaya Prasad Singh: Will Government be pleased to state:

- (a) whether it is a fact that Messrs. Merz & Partners, Consulting Electrical Engineers to the Government of India (Railway Board), have at present on their superior staff four Indian Electrical Engineers;
- (b) whether these engineers were engaged by the Consulting Engineers at the suggestion of the Railway Board;
- (c) whether these engineers were not selected by the Consulting Engineers (i) with due regard to their previous training and qualifications, and (ii) with the express approval and sanction of the Railway Board;
- (d) whether or not they have gained valuable technical and administrative experience through several years' continuous employment on a very important Main Line railway electrification scheme;
- (e) if the answer to part (d) be in the affirmative, in view of their specialist experience, part of which was gained in the service of the Indian State Railways, what steps have Government taken in the past to secure the services of these highly trained technical men and how do they propose to utilize their services in the future?

Mr. A. A. L. Parsons: (a) Government have no information.

- (b) No.
- (c) (i) Government have no information, but consider this probable.

 (ii) No.
- (d) Government have no information.
- (e) The men in question had an opportunity to apply for posts in Government service advertised by the Public Service Commission for which they may have possessed qualifications. So far as can be ascertained, only one Indian on the staff of Messrs. Merz and Partners responded to the invitation in connection with recruitment to certain posts in the Electrical establishment of the Great Indian Peninsula Railway advertised by the Public Service Commission in 1929, and he was not recommended for appointment.

Construction of a Shed for Third Class Passengers at Madho Singh Railway Station.

267. Mr. S. C. Mitra: (a) Are Government aware that there being no third class shed at Madho Singh station of the Bengal and North Western Railway, the passengers were put to great trouble in January, 1930, Kumbh Mela?

(b) Do Government intend to direct the Bengal and North Western Railway authorities to construct a shed for the third class passengers there? If so, when?

Mr. A. A. L. Parsons: (a) No.

(b) A copy of the Honourable Member's question is being forwarded to the Agent, Bengal and North Western Railway, for consideration.

CONSTRUCTION OF AN OVERBRIDGE AT AUNRIHAR JUNCTION RAILWAY STATION.

- 268. Mr. S. C. Mitra: (a) Are Government aware that there is no overbridge at Aunrihar Junction of the Bengal and North Western Railway?
- (b) Are Government aware that trains Nos. 111 Up, 86 Down, 70 Down and 69 Up, all reach Aunrihar at 8-58, 10-3, 10-13, and 10-16, respectively, and that 111 Up together with some loaded wagons are kept on line No. 1 after admitting it into line No. 3; and that 69 Up, comes on line No. 3; and that 86 Down, and 70 Down are daily taken on lines Nos. 5 and 4, respectively, and that this causes much discomfort and inconvenience to the passengers either to get into the trains or to go out of the station without overbridges?
- (c) Are Government aware that as a result of this one Gajadhar Ahir a cooly belonging to the engineering department was run over by a goods train at Aunrihar in January last?
- (d) Do Government propose to consider the advisability of enjoining upon the Bengal and North Western Railway authorities to construct overbridges at Aunrihar at once?
- Mr. A. A. L. Parsons (a), (b), (c) and (d). Government have no information on the points mentioned by the Honourable Member, but I am sending a copy of his question to the Agent, Bengal and North Western Railway, for consideration, and I am asking him to furnish information regarding part (c) of the question.

Hours of Work of Certain Pointsmen and Station Masters.

- 269. Mr. S. C. Mitra: (a) How many trains run daily between Aunrihar and Benares city?
- (b) For how many hours do the pointsmen work at those stations between Aunrihar and Benares city? For how many hours do the station masters and the assistant station masters work in each of the four districts?
- (c) For how many hours is the duty of the station masters and assistant station masters on the East. Indian Railway and for how many hours do the pointsmen on the East Indian Railway work?
- Mr. A. A. L. Parsons: I am obtaining information on these points from the Agent of the Bengal and North Western Railway and will communicate later with the Honourable Member.

Unsuitable Foodstuffs supplied by Vendors at Aunrihab Railway Station.

- 270. Mr. S. C. Mitra: (a) Are Government aware that the foodstuffs supplied at Aunrihar by the sweets and puri vendors are most wretched and no action is taken against the vendors?
- (b) Do Government propose to put the sanction of the sale of the food-stuffs in the hands of the district medical officers of health and local bodies to avoid this nuisance? If not, what step do Government propose to take against this practice of supplying bad food-stuffs at stations on the Bengal and North Western Railway lines?

Mr. A. A. L. Parsons: (a) No.

(b) I will have a copy of the Honourable Member's question and of this reply sent to the Agent of the Bengal and North Western Railway. The matter is entirely within his competence.

Non-Supply of Water at Second and Third Class Stations on the Bengal and North Western Railway.

- 271 Mr. S. C. Mitra: Are Government aware that the Bengal and North Western Railway do not supply water at second and third class stations on their lines throughout the year, especially during the hot season? If so, what steps do Government propose to take against that Railway?
- Mr. A. A. L. Parsons: Government are not aware of the extent, if any, to which there is substance in the complaint contained in the Honourable Member's question. I am addressing the Agent of the Bengal and North Western Railway on the subject and will communicate later with the Honourable Member.

JURISDICTION OF THE RADHAPUR POST OFFICE.

- 272. Mr. S. C. Mitra: (a) Are Government aware that several petitions were submitted by the villagers of the surrounding villages of Radhapur B. O. (Noakhali Dt., Bengal) for their inclusion within the jurisdiction of the Radhapur Post Office since the starting of the said Post Office?
- (b) Is it a fact that inquiries were also made by more than one postal officer about the convenience of the villagers who made petitions and that such officers were satisfied that the jurisdiction of the said Post Office should be extended and should include those villages and they also reported accordingly?
- (c) Is it true that the jurisdiction is not extended only on the ground that there is no Postal peon for the said Post Office?
- (d) When do Government propose to appoint a peon for the Post Office and also order the inclusion of the villages in question within the jurisdiction of Radhapur Post Office?
- (e) Has the said Post Office of Radhapur been supplied with furniture, as promised? If not, why not?
- Mr. H. A. Sams: (a), (b), (c), (d) and (e). Government have no information. The matter is one of administrative detail and is entirely within the competence of the Postmaster-General, Bengal and Assam, to whom a copy of the question is being sent.

PUBLIC SERVICE COMMISSION EXAMINATION FOR TEMPORARY CLERKS.

- 273. Mr. S. C. Mitra: (a) Will Government be pleased to state whether temporary clerks, who have been serving in the Government of India offices for over a year, are required to sit for the Public Service Commission examination?
- (b) If the answer to part (a) be in the affirmative, how do Government justify their compelling these clerks to sit for the examination?
- (c) Will Government be pleased to state the reasons why the Departments were empowered to fill up 50 per cent. First Division vacancies by departmental promotion of the Second Division clerks?
- (d) Are Government aware that a majority of these clerks are compelled to stay in the office very late hours and seldom get any time to prepare for their examination?
- The Honourable Sir James Crerar: (a) One of the conditions imposed for the qualifying examination is one year's service between certain specified dates.
- (b) I would refer the Honourable Member to the reply I gave to part (b) of his unstarred question No. 265 on the 6th instant.
- (c) It was considered desirable, in the interest alike of the men themselves and of the service, not to debar suitable Second Division clerks from promotion to the First Division.
- (d) There may be a few such cases, but I am not prepared to admit, on such information as I have, that the majority are in that position.

RECRUITMENT OF ACCOUNTANTS BY THE CONTROLLER OF RAILWAY ACCOUNTS AND THE CHIEF COMMISSIONER OF RAILWAYS.

- 274. Sirdar Harbans Singh Brar: (a) Will Government please place on the table a statement showing the number and names of the unqualified accountants recruited by the Controller of Railway Accounts or the Financial Commissioner, Railways, stating separately the number and names of those taken directly or promoted from the clerical establishment under them since the separation of accounts from audit and the creation of the Railway Accounts Office?
- (b) What were the conditions of their recruitment and how was the direct recruitment made?
- (c) How many Sikhs were so recruited and what proportion do they form?
- (d) Who are the men who have been confirmed or promoted without undergoing any examination or fulfilling any conditions and what were the reasons for doing so?
- (e) What were the real conditions for their confirmation and further promotion?
- (f) Is it a fact that out of about 200 unqualified accountants, not a single Sikh was taken? If so, what are the reasons for completely ignoring the rights of this minority community?
- (g) Is it a fact that all these appointments were never advertised? If so, why?

- (h) Is it also a fact that the procedure mentioned in part (g) was deliberately adopted in order to provide for near relatives or friends of the Railway Board officials and staff who could not otherwise secure any appointment?
- Mr. A. A. L. Parsons: (a), (b), (c), (f) and (g). I am in some doubt what the Honourable Member means by unqualified accountants. If he means persons who have been directly recruited as accountants and not either taken in as probationers or promoted from the permanent establishment, there have been two since the 1st April, 1929, when the Railway Accounts Department was formed. These two gentlemen were appointed direct as accountants in view of their education and experience, and not after advertisement, and one of them is a Sikh?
- (d) and (e). One of the two gentlemen has been confirmed as Accountant, Grade II, and is officiating in Grade I because of his experience and work. The other is still on probation.
 - (h) Decidedly not, Sir.

APPOINTMENT OF SIKHS TO THE OFFICE OF THE RAILWAY BOARD.

- 275. Sirdar Harbans Singh Brar: (a) Is it a fact that there has never been a Sikh officer in the Railway Board as well as in the Controller of Railway Accounts Office?
- (b) If the reply to part (a) be in the affirmative, will Government please say why the rights of the Sikh community have been overlooked in contravention of the principles laid down by the Home Department in 1926 and afterwards?
- (c) Since the issue of the order from the Home Department regarding communal adjustment in all the services and in the Departments how many Anglo-Indians, Indian Christians and Muhammadans have been brought on the superior staff of the Railway Board and why has no Sikh been so far brought in?
- (d) Are Government prepared to take steps to appoint (i) a Sikh officer on the superior staff of the Railway Board, (ii) a sufficient number of Sikh unqualified accountants, and (iii) a sufficient number of Sikh ministerial staff of the Railway Board proper?

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

- (b) and (c). The principles laid down by the Government of India to which the Honourable Member refers relate to the recruitment to the various services and are observed in recruiting for the railway services, but they do not relate to the posting of individual officers to particular offices. The selection of officers already in service to fill particular posts which become vacant is determined solely by considerations of administrative efficiency and not by communal considerations.
- (d) Government can give no undertaking as to the community from which any particular vacancy for an office in the Railway Board will be filled as I have said this must be decided by considerations of administrative efficiency. Nor are they prepared to appoint unqualified accountants from any community. The claims of Sikhs, as of other communities, for a share in the recruitment to the ministerial staff of the Railway Board are, and will be, considered.

CARRIAGE OF BEEF THROUGH THE STREETS OF NEW DELHI.

- 276. Sirdar Harbans Singh Brar: (a) Are Government aware that a cart carrying beef passes through the public places in Raisina at a time when the residents of the place go to offices or elsewhere?
 - (b) Are Government also aware that the cart is always uncovered?
- (c) Do Government know that this is a source of great annoyance to the Hindus and hurts their religious feelings?
- (d) Do Government propose to take steps to prevent this nuisance by the removal of the stall from its present place to a quarter where it ceases to be of annoyance to the religious susceptibilities of the offended community? If not, why not?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: (a) A few carts carrying beef go round New Delhi in the mornings but not at any specified time.

- (b) No. It is reported that the carts are always covered.
- (c) No complaint appears to have been made to the New Delhi Municipal Committee.
- (d) It is not clear to which stall the Honourable Member is referring. The New Delhi Municipal Market has two beef stalls; but both are hidden from public view and the New Delhi Municipal Committee has never-received any objections in regard to either of them.

APPOINTMENT OF SIKHS TO THE MILITARY ACCOUNTANT GENERAL'S DEPARTMENT.

- 277. Sirdar Harbans Singh Brar: (a) Is it a fact that out of 465-accountants as it stood on the 1st September, 1930, in the Military Accountant General's Department in India, there is only one Sikh?
- (b) Is it also a fact that out of 4,108 permanent and temporary clerksthere are only 20 Sikhs?
- (c) If the replies to the above be in the affirmative, will Government please state what steps they have taken since the 1st September, 1930, in order to give the Sikhs their proper share in the Military Accountant General's Department?

The Honourable Sir George Schuster: (a) and (b). The reply is in the negative.

(c) Does not arise.

I will supply the correct numbers to the Honourable Member when my information is complete.

APPOINTMENT OF SIKHS IN THE IRBIGATION DEPARTMENT OF THE PUNJAB.

- 278. Sirdar Harbans Singh Brar: (a) With reference to the reply given to question No. 581, dated the 17th September, 1928, will Government please state what endeavours have been made up till now to give the Sikhs their due share in the Indian Service of Engineers in the Irrigation Department of the Punjab Province?
- (b) Are Government prepared to take a sufficient number of Sikhs at the time of the next recruitment in April next? If not, why not?

- Mr. J. A. Shillidy: (a) The new rules and regulations for direct appointment to the India-recruited branch of the Indian Service of Engineers were published in September, 1929, and the first examination under these rules was held in February, 1930. Of the 8 vacancies in that year, 5 were filled by open competition and the other 3 by nomination. As no Sikh candidate secured a place in the open competition, a Sikh from the Punjab was appointed by nomination and posted to the United Provinces.
- (b) The second examination under the rules was held in January this year, but the results have not yet been announced. The claims of the candidates belonging to the minority communities who qualify at the examination will be duly considered when the appointments are made.

RECRUITMENT OF SIKHS TO THE TRAFFIC DEPARTMENT OF INDIAN RAILWAYS.

- 279 Sirdar Harbans Singh Brar: (a) Will Government please state what steps they intend taking to recruit Sikhs in the Traffic Department of Indian Railway Service establishment at the next time?
 - (b) If not, why not?
- Mr. A. A. L. Parsons: (a) and (b). I would refer the Honourable Member to the Regulations for recruitment in India for the Transportation (Traffic) and Commercial Departments of the Superior Revenue Establishment of State Railways, in which, in accordance with the policy of Government, provision is made for the reservation of one-third of the vacancies for the redress of communal inequalities. A copy of these Regulations is in the Library.

APPOINTMENTS IN THE OFFICE OF THE RAILWAY BOARD MADE DIRECT AND THROUGH THE PUBLIC SERVICE COMMISSION.

- 280. Sirdar Harbans Singh Brar: (a) With reference to the assurance given by the Financial Commissioner of Railways on the 26th February, 1929, to the effect that the appointments to the office of the Railway Board will in future be filled, as are the appointments in other Secretariat Departments, through the Public Service Commission, will Government please state whether it is a fact that a number of persons have been entertained without reference to the Public Service Commission subsequent to the assurance given above?
- (b) If the reply to the above be in the affirmative, will Government please state the total number of appointments made through the Public Service Commission or otherwise and reasons for the latter?
- (c) Has any of the persons recruited from sources other than the Public Service Commission been confirmed in—
 - (1) the Railway Board's office,
 - (2) any subordinate office of the Railway Board?
- Mr. A. A. L. Parsons: (a) and (b). I would refer the Honourable Member to the reply given by me on the 28th January, 1981, to his question No. 153.
 - (c) (1). The reply is in the negative.
- (2) The undertaking given by me on the 26th February, 1929, applies only to purely clerical appointments in the Railway Board's office.

OCCUPATION OF CLERKS' QUARTERS AT SUMMER HILL.

- 281. Sirdar Harbans Singh Brar: (a) Will Government be pleased to say whether the clerks' quarters at Summer Hill (Simla) are occupied to their full capacity every year? If not, why not? What percentage of them remains unrented and what is the amount of annual loss to Government on that account?
- (b) Has any desire on the part of the Indian clerks to reside in the Kaithu quarters come to the notice of Government? If so, what is the decision of Government in the matter? Has the expedient of making these quarters available for Indians by sending the Anglo-Indians to Summer Hill been examined?
- (c) Are Government aware that the Summer Hill quarters are not popular with the Anglo-Indians and if so, why was this aspect of the question not taken into consideration when the quarters were built?
- (d) Has the question of allotting the Summer Hill quarters to Indian clerks been considered and, if so, with what result?
- Mr. J. A. Shillidy: (a) No, as generally speaking these quarters are not popular. The percentage vacant is 40 and the loss to Government at present is Rs. 22,000 per annum.
- (b) Government have no knowledge of any general desire on the part of Indian clerks to reside in the Kaithu quarters. The second part of the question does not arise and the reply to the last part is in the negative.
- (c) Yes. The quarters were built when there was a demand for them and it was not then known that they would not be popular.
- (d) The question was examined in 1929, but was dropped as opinions on the subject differed widely. It is again under consideration.

Shortage of "B" Class Quarters in New Delhi.

- 282. Sirdar Harbans Singh Brar: (a) Will Government be pleased to state the number of migratory assistants in the Government of India offices who are entitled to "B" class quarters in Delhi—orthodox and unorthodox—separately and how many of them have not been provided with quarters of their class?
- (b) Will Government be pleased to state the number of non-migratory assistants in the Government of India and the local offices in Delhi, separately who are entitled to "B" class quarters, orthodox and unorthodox, and to whom quarters of their class have not been provided?
- (c) What steps do Government propose to take to provide the unprovided men of this class with quarters in Delhi for the year 1931-32?
- Mr. J. A. Shillidy: (a) and (b). A statement is attached giving the required information.
- (c) Thirteen more Class "B" orthodox clerks quarters are under construction at present and will be available for allotment for the year 1931-32. The completion of these quarters will leave only 49 per cent. of the number of class "B" orthodox clerks unprovided with quarters as compared with 48 per cent. in the case of unorthodox clerks.

Statement showing the demand and allotment of class "B" orthodox and unorthodox clerks' quarters in New Delhi for the winter season of 1950-31.

| | De | mand, | Allot | ment. | Unprovided. | | | |
|---------------|-----------|----------------------|-----------|-------------|-------------|-------------|--|--|
| Offices. | Orthodox. | Un o rthodox. | Orthodox. | Unorthodox. | Orthodox. | Unorthodox. | | |
| Migratory . | 100 | 107 | 40 | 55 | 60 | 52 | | |
| Non-migratory | 31 | 7 | 14 | 4 | 17 | 3 | | |
| Local . | 6 | 3 | 3 | 2 | 3 | 1 | | |
| Total . | 137 | 117 | 57 | 61 | 80 | 56 | | |
| Percentage . | • • | | 42% | 52% | 58% | 48% | | |

ALLOTMENT OF CLERKS' QUARTERS IN NEW DELHI.

- 283. Sirdar Harbans Singh Brar: (a) Is there a waiting list of persons who have not been provided with quarters in Delhi? Is it accessible to the men concerned and, if it is not, what is the objection to making it so accessible?
- (b) Are Government aware that there is a feeling among the clerks that fresh allotment in Delhi is not made strictly in accordance with the waiting list which is said to exist but which no assistant or clerk who is affected has ever seen?
- (c) Why is not the allotment of quarters in Delhi made while the offices are in Delhi? Are Government aware that allotment made while the offices are in Simla causes hardship to those who do not get quarters as they cannot easily arrange for private accommodation from Simla? If so, how do Government propose to afford relief to the men concerned?
- Mr. J. A. Shillidy: (a) There is no general waiting list. The allotment of quarters is made pro rata to the demands received from various Departments, and separate waiting lists are maintained for each Department for each class of accommodation. These lists consist of the names of the unsuccessful applicants. They are not confidential documents and are accessible to the men concerned.
- (b) Government have no information on the subject. The allotment is made strictly in accordance with the waiting lists and Departments are invariably consulted before the allotments are made.
- (c) The rules for the allotment of clerks' quarters are under revision and it is proposed to amend them so as to provide that the allotments will be made in Delhi before the officers move to Simla.

Non-provision of Durries in "D" and "C" Class Quarters in New Delhi.

284. Sirdar Harbans Singh Brar: Why are not durries provided in the orthodox "D" and "C" quarters in Delhi?

Mr. J. A. Shillidy: Durries are not supplied to "C" and "D" class orthodox quarters, as there is no general demand for them and because the supply of durries to these quarters would cause an enhancement of rent, which the occupants would not care to pay.

SETTLEMENT ARRIVED AT BETWEEN GOVERNMENT AND THE CONGRESS.

Diwan Bahadur T. Rangachariar (South Arcot cum Chingleput: Non-Muhammadan Rural): May I crave your permission to move a motion regarding the message which was conveyed to us the other day announcing the settlement between the Government and the Congress Party? The motion runs as follows:

"That this Assembly do record its profound satisfaction that a settlement has been arrived at between the Government and the Congress and its earnest hope that the settlement will inaugurate a new era of healthy and helpful co-operation in securing political and economic freedom for India."

Sir, it is rather a sad commentary on our rules of procedure that we should take this belated action on a most momentous pronouncement which was made first to this House before the rest of the world knew of it. But better late than never. Late as it is, the fact that the two parties who had quarrelled—we were not in the quarrel—have settled their disputes, has aroused an immense degree of satisfaction throughout the country, and I may add, from what we see in the newspapers throughout the world, a large part of the world is about to emerge from a season of confusion into a season of co-operation, healthy and helpful. (Cheers.) Sir, the two great actors in producing this result are His Excellency Lord Irwin and Mahatma Gandhi. Sir, the world is indebted to both these men. Both these men have got a reputation not only for statesmanship but for being truly religious people. (Hear, hear.) The real fact, after all, is that there is no difference between religion and religion, and with their deep faith in God, they began this task, a tremendous task, which looked very difficult indeed, almost impossible of accomplishment—at one stage when I was on my way from Madras I was told just midway that the thing was almost failing. But on entering into this Chamber I was reassured that the thing was an accomplished fact, and it was with a great sigh of relief that I heard the news. The whole country had responded to Mahatma Gandhi's call. The urge behind his movement was one which I had not expected. The urge was so large, the people had responded to it so much, that I am glad the Government have realised the gravity of the situation. Mahatma Gandhi had often expressed on his part a desire for peace; he was earnest and sincere in his desire for peace, and the accomplishment of this act redounds greatly to his credit. Of course, it is not for us to praise people like them. They are above praise; they are superhuman; and it is lucky for the country that we have got two such men to deal with. Sir, that is a matter on which the country congratulates itself. There have been other actors in the drama;

it would take a long list to enumerate them; but, Sir, I will not spoil the effect of this motion by reciting all other names. These two great names are outstanding, and our direct object in bringing in this motion is not so much to record the satisfaction that we feel as that we are anxious to give formally our profound thankfulness to both these great people. Unfortunately, our rules of procedure do not permit of the thing being done directly. So, we have to adopt this indirect method of seeking this opportunity to achieve our purpose, our direct purpose, our main purpose, which is to convey the thanks of this country to these two great men.

Sir, I move. (Applause.)

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Sir, it gives me very great pleasure indeed to associate myself with the motion that has been just moved by my Honourable friend, Diwan Bahadur T. Rangachariar. It will be no exaggeration to say that during the time the negotiations were going on between His Excellency Lord Irwin and Mahatma Gandhi, the country was watching with breathless interest as to what would be the outcome of those negotiations. It is neither any exaggeration to say that when the negotiations terminated in the settlement which is now before the public, the whole of India felt relieved that a very difficult situation had been solved. There cannot be the slightest doubt that we owe a deep sense of gratitude to His Excellency Lord Irwin and also Mr. Gandhi for the happy conditions that have now been brought about. It was the concern not merely of India. In fact, all political parties in Great Britain welcomed this settlement with great satisfaction. It means this, that in the future deliberations regarding the constitution, a very influential political party in this country, the Congress, will now come in and make their contribution. It is perfectly true that, with the Congress left out, there would have been very many difficulties in bringing the deliberations to a satisfactory conclusion, and when the result was arrived at, to carry it into effect. The Round Table Conference will now start with the goodwill and cordial co-operation of all influential Indian political parties and representatives of various interests on the one hand and the leaders of the political parties in Great Britain on the other. The outcome of such goodwill and co-operation cannot but be for the benefit of this country as well as of Great Britain. What we have been longing for and hope to get now is that relations will have been established on a footing of trust and confidence between the two countries and, Sir, that being the object which we in this House had always in view and which we Indians have been urging for some time not only in this House but in all the Councils in the country, there cannot be the least doubt that the motion that has been made will be hailed by every Member of this Assembly with considerable satisfaction.

Sir Hugh Cocke (Bombay: European): Sir, I think it is appropriate that this House should have upon its records a motion such as that moved by the Honourable the Leader of the Opposition, and I think he is entitled to thanks for the steps he has taken to get that motion put in a form in which it is in keeping with our rules, because I know the keenness with which he has tried to get a motion of this sort framed and his anxiety that this House should not be behind in offering congratulations on the settlement which has been achieved. As regards that settlement, we are all agreed that it was a great personal achievement for the two chief persons who were engaged in it. It now remains to watch the effect of that settlement and we believe it will be carried out honourably both in the letter and

[Sir Hugh Cocke.]

in the spirit by both sides. As regards the Government machine, I think we may expect that it will work in the way that the agreement indicates. As regards the other side, it will perhaps be a little more difficult, but Mahatma Gandhi has a very great influence in this country, and I am quite sure that, so far as he is personally concerned, he will do all he can to see that the terms of the settlement are acted up to and it is for us here to do anything we can to assist the people of this country in acting up to that settlement because it may not be easy to do so in every direction and at a very early date. Sir, I gladly join in this tribute to those who have achieved that result. It is a matter of history and I think it is only right that this House should have this opportunity of offering its congratulations to those who have achieved it.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): I whole-heartedly support the Resolution moved by the Honourable the Leader of the Opposition.

The Honourable Sir George Rainy (Leader of the House): I should like in a single sentence to associate the Government Members with the terms of the motion moved by my Honourable friend. We share in the satisfaction that others have expressed that a settlement has been reached and we also fully share in the hope that it will prove to be the beginning of a new and much happier era.

Mr. President: The question is:

"That this Assembly do record its profound satisfaction that a settlement has been arrived at between the Government and the Congress and its earnest hope that the settlement will inaugurate a new era of healthy and helpful co-operation in securing political and economic freedom for India."

The motion was adopted.

THE GENERAL BUDGET—LIST OF DEMANDS.

SECOND STAGE

Mr. President: Order, order. The House will now take up the second stage of the General Budget, namely, the Demands for Grants. With regard to the order in which these Demands should be taken up, I have to inform Honourable Members that for the last few years it has been the practice in this House that the leaders of the parties in consultation with Government arrive at an agreement and settle the order. The usual order of Demands is thus varied in accordance with the general sense of the House. I have accordingly varied that order in accordance with the wishes of the parties conveyed to me. I propose in accordance with the arrangement to take up the Demands for Grants in the following order:

Discussion will first be raised by the Nationalist Party today on a cut relating to the Executive Council. On Tuesday the 10th March the Independent Party will initiate discussion on the Demand regarding the Army Department. On Wednesday the 11th March forenoon the European Group will take up the discussion on the Demand relating to the Taxes on Income. On the same day in the afternoon the United India Party will be allowed to discuss the Demand relating to the North West Frontier Province.

After having disposed of these Demands I propose to go back to Demand' No. 16 (Customs) and then take the subsequent Demands in the order in which they appear on the paper.

- Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): On a point of order. I should like to know whether it will be possible to conclude each particular Demand within the period allotted to that Demand. For instance, there is the Executive Council Demand and I find a large number of cuts given by Honourable Members and, Sir, if you decide that the discussions on that particular cut should come to a conclusion today, that would mean that certain Honourable Members, who appear at the bottom of the list, will be deprived of their chance. I hope therefore there will be no such thing as limiting a particular Demand to a particular period of discussion, for that would be, I think, affecting the rights of non-attached Members in this House, and therefore I do hope that you will take this matter into consideration.
- Mr. President: I am very glad the Honourable Member has raised this point of order, as it enables me to explain the position clearly. I recognise that under the Rules and Standing Orders it is not within the power of the Chair to determine when a motion shall go to the vote unless the discussion is concluded. What I tried to explain to the House was a suggestion, which all party leaders have agreed to. It is entirely within the power of the House as a whole to agree to the suggestion or not. The only way to ascertain whether the House agrees is by way of a motion for closure which will be put to the House, and it is by a majority of this House itself that any debate can be concluded and the House proceed to vote. Subject to the rights of the House, the Chair has brought to the notice of Honourable Members the desire of the leaders of the various parties in order that they may be able to act in such manner as they deem best. It is perfectly open to the House to refuse closure when moved, the effect of which will of course be that the motion under discussion will continue before the House.
- Mr. C. S. Ranga Iyer: May I respectfully suggest, Sir, that a closure motion may be applied and carried by numerous parties in this House, but I respectfully submit that you, as the custodian of the rights of non-attached Members in this House, will see-to it that a closure is not put before non-attached Members, whose names appear on the list, have had an opportunity of moving their motions, which would be in accordance with the traditions of this House and also those of the House of Commons when a particular Demand is taken.
- Mr. President: I may assure the Honourable Member that I am perfectly alive to my responsibility in regulating a fair and reasonable debate. (Hear, hear.) I may inform Honourable Members that I have also to bear in mind the fact that the time allotted for the discussion of Demands for Grants is limited to five days; and if in connection with any particular motion I consider that the discussion has been fair and reasonable, it will be my duty to ask the House whether they wish to close the debate on that motion in order that a larger number of Demands and motions for cuts may be open to the House to discuss within the time allotted for such discussion. I may repeat that I assure the House that I will do all I can to ensure that every Honourable Member gets fair treatment in participating in the debate. (Applause.)

Diwan Bahadur T. Bangachariar (South Arcot cum Chingleput: Non-Muhammadan Rural): Sir, may I have your permission to move my motion at page 11 in connection with Demand No. 28

An Honourable Member: No Demand has been moved yet?

Expenditure Charged to Revenue.

DEMAND No. 28.—EXECUTIVE COUNCIL.

The Honourable Sir George Schuster (Finance Member): My Honourable friend has been a little premature. Sir, I beg to move:

"That a sum not exceeding Rs. 91,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1932, in respect of the 'Executive Council'."

Neglect to effect Substantial Retrenchment in all Departments.

Diwan Bahadur T. Rangachariar: Sir, I confess that the reason for being previous in making my motion under this Demand now is only to show that this is an earnest of the evidence of the great feeling behind this motion which is all over the country. Sir, I beg to ask for your permission and the leave of the House to take this motion first under this Demand.

Mr. President: I should like to inform Honourable Members that the Chair has no authority under the Rules and Standing Orders to grant priority to any motion on the Order Paper. The practice is that the Order Paper should be taken up in the order in which motions appear on it. The Honourable the Leader of the Opposition has asked me whether I would allow him to move motion No. 139 on page 11 of the List of Motions for cuts. In connection with the Demand No. 28 the motions for cuts start with No. 107, and there is a large number of motions of which notice has been given by several Honourable Members, which will only be considered if there is time available after the motion No. 139 is disposed of. It is within the privilege of the House to decide whether they will unanimously agree to allow Mr. Rangachariar, the Leader of the Opposition, to move his motion out of its turn, and I would therefore ask whether it is your pleasure to allow Mr. Rangachariar to move his motion No. 139 out of its turn now. The other motions will then follow in the order in which they appear on the Order Paper. I should like to know whether it is your pleasure that that should be done. Those in favour of allowing Mr. Rangachariar to move his motion No. 139 now in priority of the motions appearing on the Order Paper will say "Ayes". (Several Honourable Members: "Aye.") Those of the contrary opinion will say "No". I take it that the House unanimously agrees that priority be given. Mr. Rangachariar.

Diwan Bahadur T. Rangachariar: Sir, I am obliged to you and to the House for the permission granted to me to move this motion now. Sir, the significance of this motion, I take it, is that we on this side of the House are moved by a deep sense of the injustice which is sought to be imposed on the country by the proposals contained in the Finance Bill of the Honourable the Finance Member and supported as they are by the

Government of India. Sir, our object in making this motion is not really political. Nor is it by way of any obstruction to the Government. Sir, just at the time when the country is going to enter on an era of peace, it would be far, far from our intention to throw any obstacle in the way of the Government, either wilfully or maliciously or wantonly. object, Sir, in bringing in this motion is to convince Government if possible of the great injustice they are doing in pressing on with their proposals contained in the Finance Bill. I can assure the Government of one thing. If they are willing to accede to our desire in this connection, they will find myself and my friends ready to follow them in imposing any necessary taxation at least for a temporary time. But as it is, Sir, we are satisfied as much as we can be on the materials before us, that the Government have not done all they should have done in effecting retrenchments. Apart from the question of broad policy, which perhaps may await solution later on, there are various ways in which the Government could have helped the country at a critical situation like this, which we feel they have not done. Now, Sir, my Honourable friend the Finance Member the other day complained that I was rather unjust to him in my criticisms on his Budget speech and unfair to him too. I may say I am not guilty of any such vice. The more I have gone into the matter, the more I am satisfied that the encomiums which my Honourable friend paid to the Army Department in his Budget are totally undeserved. Sir, this is what the Honourable the Finance Member said while speaking of the Military Department:

Then this is what he said as to what the Army Department have done:

"I wish to take this occasion to express the appreciation of the way in which they have helped me to reduce the expenditure this year."

Then further on he says:

"This House should know that a whole-hearted and substantial effort has been made by all the officers concerned to help me in meeting the present financial position."

I deny that most emphatically. I do not think any Department deserves that compliment in the least degree. I will not take much time of the House because I want to save as much time as possible so that Honourable Members may be able to move their motions for cuts. Our position is that it is true that the gap is too large between the receipts and the expenditure; it is a substantial gap. How is this gap to be filled? We maintain that it should be filled at least in a substantial part by substantial cuts in expenditure. We are prepared to meet them half way if they are prepared to meet us half way. We want to enforce our views on the Government by the exercise of that little power which we have under the constitution. We will not hesitate to use it in case it is necessary in the interests of the country. It is only on that view that we would proceed to exercise such rights as we have in connection with the Finance Bill or otherwise. In one portion of his speech the Honourable the Finance Member said that he would try his level best to cut down the expenditure, and when he proposed that a Retrenchment Committee should be appointed by this House, he told us that he had no faith that anything was going to be achieved and that it was merely an invitation to come and have a try on our part. We refuse to take part in any such invitation, unless

[Diwan Bahadur T. Rangachariar.]

it is going to be a free invitation to the House to take such experts as they desire and take the assistance of the people in order to effect such cuts as we think fit. My first position, therefore, is that it is the business of the Government to make these cuts. They are in the know of things. If they are not in the know of things, they ought to be. They should try to do as much as they can to help the country out of a situation like this. On all hands it is admitted that this is a critical situation to which the country has been brought just at this stage. Therefore, try your hand first; try it earnestly and sincerely with a desire to effect a cut and not merely with a desire to avoid it.

Our first position is that the arrangement entered into by the Government. of India with the Army Department is wholly unwise. If I may say so with all respect, it is foolish and it is wholly unsatisfactory. Sir, what is it they have done? The Retrenchment Committee presided over by Lord Inchcape proposed that, with the prices as they then prevailed and. with the conditions as they then prevailed, the expenditure for 1923-24 should be somewhere about 60 crores. But, as a matter of fact, in 1923-24 the actual expenditure in the Army Department came to 56.23 croresonly. This point must be borne in mind. Sir, the strength of the Army then was 311,975; it has since been reduced to 272,438. Since then we have spent large sums of money in introducing mechanisms in various ways both for killing, for wounding and for transporting. We have improved our methods of warfare. We are up-to-date, perhaps more than up-to-date, in our preparations for any great war that may be waged. I think we are more prepared than any other country in the world for such a war. Sir, we have increased our military expenditure by 100 per cent. from what it was before the war, whereas Great Britain has increased ber expenditure only by 48 per cent. since the war and the Dominions only by 33 per cent. India, Sir, has the credit of standing foremost in the matter of increasing her expenditure on defence by 100 per cent. Then, Sir, we have developed our Air Force and we thought that our ground forces would now be reduced. But that has not been so. Then, Sir, I take it that the Inchcape Committee asked them to take the exchange at 1s. 4d. Now, the whole Home charge has considerably increased since those days. With your exchange at 1s. 6d. there ought to be a considerable saving in that line too. And, Sir, not only that, there has been an enormous fall in the prices. At the time the Inchcape Committee reported the index number was 156; in December 1930 theindex number was 101. So, there has been a fall of 55 in the index number. Sir, the country should have taken advantage of this. Again, are there not possible economies which ought to be effected at time like this, the time of stress and difficulty, when the people are starving and cannot find the ways and means of clothing themselves and feeding themselves adequately? At a time like this, are there not economies which could have been effected? Is it necessary to go on spending the money at a time like this by improving the educational facilities for the men in the Army? Sir, the British ranks in the Army are not illiterate as are our Indian troops. 92 per cent. of the population of this country are illiterate, and we are starving for funds to educate our children. is an Army which is composed of literate people who have already received their education in their own country under the beneficial system. of education that they enjoy. Is it necessary at a time like this when the millions of this country are starving for education, that you should spend more and more money on the already educated people? Again, Sir, take the ecclesiastical requirements of the Army. Is it necessary to persist in them? Why should we spend money for serving their religions? Let them take care of their religion. Why should we provide for all that?

Then, again, Sir, why should we pay these numerous allowances to officers? I have just made a list of these allowances which are allowed in addition to the pay of the officers. The pay of an officer is made up of various items. There is the Indian service allowance, there is the marriage allowance, there is the separation allowance, there is a lodging allowance and so on. Why this separation allowance? That is to say the wives of officers are not permitted to go to particular places; I do not know why should they not be permitted. Why should they be reparated compulsorily? I do not know why they should get separation allowance. Then, they get what is called the syce and the forage allowance. We provide them with sanitary and other allowances.

Then, again, take the medical department. We find there is pay, there is additional pay, there is special pay, there is non-practising allowance. There is "com. allowance"-I do not know what it means, I hope it is compensatory allowance and not compassionate allowance. There is honorarium, there is the compensatory allowance, there is the overseas pay and then the post mortem allowance and various other allowances. In this way, Sir, I find one officer is actually getting more than twice his ordinary pay, adding these allowances together. I am speaking as a layman—I have never run any large office, except my small office as a lawyer—and surely it is very difficult to reconcile these things. There must be something rotten in this system. Why should we not sit to set right these things? India is not overflowing with money. Just at a time when you are going to hand over the reins of Government to other people, it is but right that you yourself put it right before you hand it over. Now, Sir. it may be said that the Lee Commission settled these things only the other day. But since the Lee Commission, things have changed considerably. If the Government could appoint a Lee Commission in 1923-24 to increase the pay, surely the same Government can reduce the pay having regard to the changed circumstances. nothing to prevent, there is no statute to prevent, and I think at a time like this the Government servants will only be too glad, at any rate they ought to be only too glad, to lend their helping hands in reducing the burden of taxation on the country. You put it to them: "Here is a country which is going through a crisis; now you are getting a lot of allowances and pay. We want to reduce it in order to justify ourselves in the eyes of the country for imposing these taxes. Why should you not help us". Well, if you put it to them, I am sure they will rise to the occasion and will be patriotic enough to take reduced salaries. We can appeal to their sense of patriotism. Do you think that as responsible servants, they will refuse to give their consent? Generally, how do the commercial bodies manage their affairs in a time of crisis? I saw in the newspapers the other day that great commercial concerns have reduced the pay of their staff having regard to the fall in the prices of commodities. Sir, these things might easily be effected, if you have the will to do so.

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By mutual good-will and consent, provided we are earnest about it, we can get these things done easily.

Now, leaving the Army, may I take the Civil side. I was just looking up the house rents which the Honourable Members opposite who happen to belong to Delhi and Simla are charged. In taking the value for fixing the rent for these houses, I find no account is taken of the ground value in fixing rental. The ground value is altogether ignored, and not only that, the value of what is done for the compounds is also ignored. It is only the cost of building that is taken into consideration. again never works up to 10 per cent. Again two officers share a building, but only one officer pays the rent. These gentlemen get special Delhi allowances. I do not know why such inducements are needed to come to the headquarters of the place where the mighty gods dwell. They will be only competing with one another, neck and neck, in order to come to Delhi and Simla. Why should there be this special Delhi allowance to attract people? I do not know. Supposing you tried the other thing, that is, you do not give any special Delhi allowance. Do you mean to say that the Collectors of districts who draw Rs. 2.500 would insist upon getting Rs. 4,000 to come here as Secretaries or would insist upon getting Rs. 3,500 to come here as Joint Secretaries? Certainly these things are unnecessary. I do ask, what is the need for the special allowance, if you do not charge them full value for the houses they occupy? I ask, how many cases there are of gentlemen going shares in one house? Only one man pays the rent, and if you work it out, the rent will come to about 3 or 4 per cent. for each of the gentlemen. Why do you not notice all these defects and why has no attempt been made at rectification in this direction?

Again, may I ask my Honourable friends who travel in whole compartments, whole first class compartments, leave alone the saloon gentlemen, I ask these gentlemen why should they not travel like mortals, taking a single first class berth. Why allow people, who hold the position merely of the rank of Secretaries or of the rank, for instance, of the Commissioner of Income-tax or of the rank of Members of the Central Board of Revenue, why should you allow such gentlemen to travel in whole saloons? Who pays for these things? All these things might belooked into.

Again, Sir, why this extra superfine stationery which you find. Why these big mighty envelopes? Look at these many little things which you can attend to? Why indulge in extravagance? I have been travelling in France and I have seen the French Government and the French people using flimsy dirty paper.

An Honourable Member: You want dirty paper?

Diwan Bahadur T. Rangachariar: No; by all means have clean paper, but flimsy small paper of less value. Why should we have all this costly, superfine paper? Who pays for all these? The starving millions of this country.

Again, Sir, there is too much of auditing. 'All to do what? To regularise what has already been done. Is there really so much of auditing wanted? I am speaking subject to correction, and my Honourable friend, Sir Hugh

Cocke, will help me in this direction, I have looked at the Public Accounts Committee's Report and various other reports, and what do I find there? What do they do there? They say, six annas has not been sanctioned here, or a few annas has been spent without sanction there, and so on. Surely all these things can be avoided? We want to take care of other things. There is too much of audit and these small things must be left to internal audit and then there should be one final audit. I am speaking subject to correction in these matters, but these are the things which struck me as matters one should take care of.

Again, there is another great thing which, since the Lee loot—as we used to call it then—is sought to be taken advantage of by all sorts of people. The other day I came across a practical instance—it was talked about in the Club and therefore I mention it—I came across cases of people trying to take advantage of the Lee concessions. They are not directly concerned in the Lee Commission recommendations, but these concessions have been applied to them by the Government of India, and then in so applying them, Asiatics become non-Asiatics and when they become non-Asiatics, what happens? You give them these concessions with back arrears. I know, Sir, of a case where a gentleman got Rs. 30,000 to Rs. 40,000 by taking advantage of the provisions of the Lee Commission, by saying, "I am not an Asiatic, I am a non-Asiatic". And that claim is admitted and is allowed. There are several cases of that sorf, and claims are put forward which are lightly yielded to. That is my complaint. Why do you allow these things? Not only do they claim concessions as non-Asiatics, but also they claim back arrears and all these claims are allowed with the result that in one case as I mentioned just now, the arrears came to between Rs. 30,000 and Rs. 40,000, and this was recovered by the officer concerned.

Again, Sir, do you want all this exodus to Simla? The Inchcape Committee suggested very mildly indeed to the Government of India the desirability of reducing the extent of the staff that they should take with them to Šimla, and, may I also humbly add, the period of their stay alsoin Simla. Is there no self-sacrifice on your part? Do you want only the country to sacrifice itself simply to run the Government on such costly lines like these? Sir, I do expect that the Government of India will set an example, headed by His Excellency the Viceroy, in reducing the luxuries. Sir, Simla is in telephonic communication with Delhi. Simla is only a few hours run by motor car. You have got any number of motor cars and armoured cars. You have got telegraphic and telephonic communication between Delhi and Simla. You have got all the postal conveniences. Then why carry the entire staff with you to Simla? Why should you do that? Really much time is lost in this exodus. An officer has to go about touring during the week or ten days in order that his office might be arranged and settled properly in Simla so that when he goes up to Simla or comes down to Delhi after the move, he can attend to his duties uninterruptedly. So that during the time when the office moves up or comes down, the officer has to do this touring work, which otherwise he would not care to do. There is a mentality of my Honourable friend the Finance Member in his Budget speech where he has made a point that, after all, the pay and salary of the establishment and all that comes only to 16 crores, of which the share of the Government of India is only 5 crores, and how much saving can you effect in this five crores. That is not the

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proper mentality. There is an old old saying, take care of the pence and the pounds will take care of themselves. Many a mickle makes a large amount, and in the expenditure on these items a really honest and earnest attempt should be made to effect economy. That is what we want, a real retrenchment. Not merely on the Army, because you gave them an extravagant amount. You unnecessarily go and give them 54 crores. If they agree to take 52 crores and 25 lakhs, you commend them for having forfeited 1 crore and 75 lakhs. This is not retrenchment. They have only foregone what they might have claimed. The Honourable Member should tell every colleague of his that, although the Budget gives him so much. that does not mean a licence to spend it altogether. Sir, I may mention that this crisis in the country was anticipated long ago. This is not a new thing. Directly you passed the Budget and went out of the Assembly room in April last year, the political troubles began to be intense. The fall in prices continued. It is one steady fall which has been going on month after month, as your own returns show. So that you were forewarned. It was in May or June when you should have issued your instructions to the various heads of Departments. Are there not many ways in which you can do it now? Why fill up vacancies which arise? Why grant leave? Are you bound to grant leave and give leave allowances and study allowances? Again, I ask, is this the time to indulge in sending people to make researches in the far East, to study their investigation methods or criminal investigation methods, and how they prevent smuggling? Is this the time to send men to the far East, to Japan and China, to study the procedure they adopt in finding out how they prevent smuggling? Is this the time for all that? Let us do our best according to our best lights. The time may come when we will be able to do all this. These are luxuries, possibly necessities, which we might indulge in when our finances improve. At a time like this you know perfectly well that your anticipations as to receipts are not going to be fulfilled. You knew it in June or July. Could you not request people not to take leave? Of course there is the desire of junior people to take higher ranks. But let them suppress it for a time. Do not fill up vacancies. Make two men do the job of three men. Why should they not do it when the country is like this? If they want this extra pay and allowances, make them do it, there is no harm in that. Specially the young men ought to bear the brunt. I do not say old men should be troubled like that, but put junior men in charge of work which senior men were doing. I do not see any harm in that. There are various ways in which it could be done. How are they able to reduce it in England? They stopped some of these allowances and various other things which they considered they could well afford to take in times of prosperity but which they cannot take now.

Again, Sir, there is something wrong in our leave rules, the Fundamental Rules as they are called. I know the case of a man who is not very far from here who finds it more profitable not to do any work because he gets more pay when he is on leave. There are several cases like that, men taking advantage of it who find it more profitable not to work and to be on leave in order to get more pay when they are on leave than when they are actually working. That is the sort of leave rule which the Government of India promulgated. You call them Fundamental Rules. Fundamental for what? I say it is a shame that there should be any

such provision which enables a man to get more pay when he is not working. Sir, we resent it. This is not the time to say that you have done your best to retrench. You have not done it. You have not performed your duty to the country. The country needs watchful eyes—merciless, watchful eyes. That we are not having and that is the object of my motion. Sir, I move my motion.

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Sir. this is the first Budget of the Government of India which I have to deal with and I need only say that the Budget that we are now considering is one which is enough to stagger any one. 'We are not going to import any sort of political bias in dealing with this Budget at all. On the other hand we wish that the Honourable the Finance Member had kept clear of politics altogether in presenting this Budget. Sir, now that a settlement has been reached with an influential political party, which for a long time has been adopting methods not altogether of a peaceful character in order to attain their political goal, I am sure every one in this House will keep clear altogether, in considering this Budget, of any political motive or bias. All that we are concerned about is that the Budget should be balanced without any unnecessary imposition of taxes on the people. I believe we are all agreed that there is no room for imposing fresh taxes. The margin is almost exhausted, and whatever little is left, we should not exhaust it altegether. The Honourable Member in charge of the finances of India said in the last sentence of his speech that he is whole-heartedly actuated by a desire to hand over a sound business to his successor. Can he lay his hand on his heart and say that he is actually handing on a sound business to his successor? Sir, I for one and most of us here do not think it possible or desirable that we should go through the numerous items of the various Departments of the Government and say that this is not wanted or this is necessary or that is unnecessary. That is not our business. The attitude we are going to take up is this. We ask the Government of India, of which the Finance Member is a Member, to take up the task themselves and effect retrenchment, sufficient retrenchment, so that the country may be spared the imposition of further taxation. The deficit is a very large one and we realise that some portion of it has to be supplied by fresh taxation. But it must be of a very limited character. A good portion must come out of the amounts now at the disposal of the various Departments of the Government. My Honourable friend, Mr. Rangachariar, has gone into the question of the Army expenditure. We are going to deal with it at some length tomorrow. But we all feel that it is possible to effect considerable retrenchment in the Army expenditure, and that is where the Government of India must lay their hand if they are at all to satisfy public opinion that the country is run, not for the benefit of the services, civil and military, but for the good of the people at large. I have had some experience of a Local Government. There can be no doubt that it is possible to effect economies in various ways. My Honourable friend has given some illustrations. I do not want to add to them; but this is a time when all extra hands, whatever their rank, should be done away with. We do not want extra appointments, at least for the coming year. Then we do not want any new schemes which will cost the Government any substantial sum of money. All new schemes ought to be stopped. All allowances, which might have been justified at one time but which, having regard to the great fall in prices, cannot be considered to be at all necessary, should be abolished.

[Sir Abdur Rahim.]

There is one item which has always struck me as altogether unnecessary and that is the cost to the Government in transfers of their officers. I do not know what is the practice in the Government of India; but I know that in Local Governments these transfers of officers from one station to another cost a great deal quite apart from the great harm it does to the administration. I believe it obtains to some extent also in those administrative charges which are under the Government of India Now, all that might be very effectively and easily stopped with considerable advantage to the efficiency of the administration. Sir. standing here in New Delhi, it is not at all necessary to point out in so many words how extravagant the Government of India can be. We see it all round. There is one motion standing in the name of an Honourable Member which says that we want "less lamp posts and more light". It is a very significant phrase indeed. That is exactly what we want. have too much of paraphernalia and too little of work of benefit to the people. In the whole of this Budget, which exceeds the resources of the people by several crores, you will not find anything worth considering which is budgeted for or designed to develop the resources of the country and to uplift the millions of this country. The whole of this Budget is devoted to find ways and means for carrying on the machinery of law and order. If you compare the budgets of other countries, you will find what a considerable portion of the revenues is devoted to those beneficent activities which are calculated to raise the status of the people and to develop the resources of the country. You look through the entire Budget and what do you find? India, for instance, is at present a purely agricultural country. Do you find anywhere any scheme which is financed for developing the industries of the country? Do you find any technological institute throughout India? Would any one believe it that in the whole of India there is not a single technical institute worth the name for the training of the people? I know that the Finance Member has told us that he is going to be generous towards agricultural research; I do not want to discuss the merits of that institute, but that is the merest drop in the ocean. If you are going to absorb all the revenues for the ordinary daily administration, then the prospect before this country is bad indeed.

Sir. the Government that we are all expecting to be inaugurated in the near future will have a tremendous task before it—the task of uplifting the people. In matters of education, sanitation, medical relief, industrial development, the whole soil is virgin and unexplored. the heavy burden which the future Government of India will have to bear on its shoulders and I do hope that the Government of India will try not to make that burden impossible so far as they can do it. What we propose to do is this. As I started by saving, we shall ask the Government of India to effect retrenchments as much as possible, and when we are satisfied that the Government have done their best we shall let them have a certain amount of money by fresh taxation. That is, if we are satisfied that, having done their best, there is still a gap remaining, they can come to us with a fresh Bill, but until we are satisfied that they have actually done what they could by way of retrenchment, we are not going to give them all that they want. We will only give them whatever is just necessary to carry on the administration.

Mr. S. C. Shahani (Sind: Non-Muhammadan Rural): Sir, in supporting the cut moved by Diwan Bahadur Rangachariar, I propose to begin at the very beginning. The total expenditure that has been proposed in the Budget amounts to about 135 crores and a half. If Honourable Members will refer to the first page of the Explanatory Memorandum Financial Secretary, they will find that this is a higher figure than that reached during any year from 1923-24 to 1929-30. The present is admittedly a very bad year; and yet the expenditure proposed for 1931-32 is very high. It has been claimed that the situation has been courageously handled. According to me, Sir, it has been not courageously but recklessly handled, as I shall show presently. Those that have the true interests of India at heart must view this large expenditure with the gravest concern. The Honourable the Finance Member has assured us that his estimates have been made on sound and reasonable lines. find that the estimates with regard to revenue for 1931-32 too are anything but properly made. The total revenue estimated amounts to one hundred and thirty-five crores, eighty-seven lakhs and sixty-four thousand. If you once again refer to the Explanatory Memorandum, page 1, you will find that this is the highest figure ever since 1921-22. We have been suffering from a general economic slump; and we know that the prices have been falling with a crash. And new burdens must put back the trade. How, then, are we going to realise nearly 136 crores during 1931-32? I would refer to the estimates that are made in the Department of Customs, and Income-tax. If Honourable Members will look at page 2 of the Budget, they will find that the realisations from Customs have been shown at fifty-six crores, forty-five lakhs and ninety-seven thousand. If they will compare this figure with the figure of revised estimates for 1930-31, they will find that this figure is greatly in excess of the figure given for 1930-31. Analyse 56 crores, 45 lakhs and 97 thousand, you will see that the estimates of the realisations on the basis of the existing taxes come to 46 crores, 63 lakhs and 97 thousand, and that the pated realisations from the new taxes amount to 9 crores and 82 lakhs. The realisations estimated on the basis of existing taxation alone are greater than the total revised estimates for 1930-31, namely, 46 crores, one lakh and 93 thousand. If we will examine this latter figure we shall find that the realisations from the taxes on the existing basis amount to 45 crores, 13 lakhs and 93 thousand; and if we add to it the 78 lakhs realisable from the increased Customs and Excise imposed with effect from the 30th December, 1930, and then again the 10 lakhs realisable from the import duties on galvanised iron and steel pipes and sheets imposed with effect from the 30th December, 1930, we shall find that the total will still be less than the Budget estimate for 1931-32, exclusive of the anticipated increase from the new taxes. The trading profits have been low, and under these two main heads of revenue, Customs and Income-tax, we have been realising very much less than our anticipation. How then are the estimates, of the revenue and expenditure for 1931-32, to be adjudged reasonable and sound?

I will now request Honourable Members to look at page 11 of the Budget. There they will find that in the case of the direct demands on the revenue, the estimated cost of administering the various Departments enumerated there, namely Customs, Taxes on Income, Salt, Opium, Land Revenue, Excise, Stamps, Forests, Registration, greatly varies. I have

[Mr. S. C. Shahani.]

calculated the variation. I find that the cost in the case of Customs amounts to 1.7 per cent. of the revenue; and in the case of Income-tax it comes to 4 per cent. The cost of administering land revenue comes to 26 per cent. and the cost of administering excise comes to 39.7 per cent. which perhaps is the most significant. We can easily understand that the realisation from excise will go on decreasing. Mahatma Gandhi has been insisting, and rightly, upon total prohibition. If this circumstance be taken into consideration, the income under excise may reasonably be taken to have a great tendency to decrease. How, then, is the prohibitive cost of administering excise justified? In the case of land revenue and excise the Government have to employ no machinery as they have to do in the case of salt, and yet the total cost of administering salt comes to no more than 17.6 per cent., when in the case of land revenue and excise it is, respectively, 26 and 39.7 per cent.

I would now request Honourable Members to look into the detailed statements in respect of Demands for Grants for Posts and Telegraphs. If they will look into page 5, they will see that the total revenue from Posts for 1931-32 is estimated at Rs. 7,53,90,000, when the expenditure on it is expected to be Rs. 8,24,89,000. That is, there will be a deficit in 1931-32 of Rs. 70,99,000, or nearly, 71 lakhs. On examination I find that there has been a deficit equally large in previous years. I remember a time when Posts paid, and paid handsomely too. It is a matter of pity that the deficit in the case of Post should now amount to such a large figure. I have some little information with regard to how money is being wasted in Sind on Posts. I have always wondered as to why a new minor Circle has been created—the Sind and Baluchistan Circle. This has been costing to my knowledge Rs. 79,000 a year, whereas the original cost, the component parts were under the control of the then existing Circles amounted only to Rs. 20,000. Now, a waste of Rs. 59,000 in these days when the great drop in the value of our trade is furnishing a great danger signal is, it will be agreed, altogether unjustified.

I revert to the Budget again, and would request Honourable Members to look into pages 12 and 13. They will there find the expenditure on military services. I have no intention of tackling the constitutional and military issues of vital importance, which are beyond our scope. I want to refer to what has been said by the Honourable the Finance Member with regard to the reduction made in military expenditure. The Honourable Member says that the military authorities have been persuaded voluntarily to effect a reduction to the extent of a crore and seventy lakhs. I want Honourable Members to look into the figures here and to note that out of this voluntary reduction, only Rs. 84,73,000 are to be saved. But not even this, for you will see that nothing is to be transferred to the military reserves during 1931-32. That is to say, the transfer of Rs. 46,49,000 made last year is not to be repeated. If this amount is deducted from Rs. 84,73,000, the net reduction will come to Rs. 38,24,000 only. This is only one aspect of the extravagance of the Departments. I would refer to another. My Honourable friend, Mr. Cowasji Jehangir, referred to the loss that would accrue to India from the lengthening of the period, for which the stabilised Budget of Rs. 55 crores, had been fixed according to the original plan. I feel that if he had pursued the point further, he would have found that, according to the original programme, the expenditure from 1928-29 to 1933-34, would have been Rs. 320 crores. In 1928-29, Rs. 55 crores would have been devoted to the military expenditure; in 1929-30, Rs. 55 crores; in 1930-31, Rs. 55 crores; and in 1931-32, Rs. 55 crores. But in 1932-33, only Rs. 50 crores would have been devoted to the military expenditure, and so also in 1933-34. The total would have come to Rs. 320 crores. But according to the newer arrangement,

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That is to say, there would be an ultimate loss of a crore and seventy lakhs.

The Honourable Sir George Schuster: Where does my Honourable friend get his figure of Rs. 50 crores for the two last years he mentioned?

Mr. S. C. Shahani: I have got my figures from the Military* Budget. I have not brought the Military Budget

The Honourable Sir George Schuster: My Honourable friend can hardly have seen the Military Budget for the year 1932-33 and for 1933-34.

Mr. S. C. Shahani: I am open to correction. I am not an expert such as the Honourable the

The Honourable Sir George Schuster: I think it is important to be clear on the point. The Honourable Member who was speaking worked on this assumption. He said that according to the original arrangement the Military Budget must be Rs. 55 crores a year for four years, that gave him Rs. 220 crores. He then said that for the next two years the Military Budget would have been Rs. 50 crores a year, and that meant Rs. 320 crores for six years. He then compared that figure of Rs. 320 crores for six years with the total figure which it will be for six years according to the assumptions which he has now made. I was only trying to know where he got his figure of Rs. 50 crores for the last two years of those six years. He seems to have assumed that, after the period of the stabilised Budget had been over, there was some undertaking to reduce the Military Budget to Rs. 50 crores. As a matter of fact, there was never any such undertaking. If the Honourable Member will work out the figures which I have given, he will see that in calculating the average expenditure I have assumed that, after the stabilised period is over, the normal military expenditure would be Rs. 52.50 crores. We had to take some figure as to what the Budget would be after that period, in order to work out what was the fair average. The point is not a very important one, but I saw that there was a danger of getting into some confusion over it.

^{*}From the Explanatory Memorandum, page 29, paragraph 3.

An Honourable Member: An intelligent anticipation.

Mr. S. C. Shahani: Well, Sir, I should be sorry if there is a mistake in the calculation which I have put forward. I have based by calculations upon what is contained in the speech of the Honourable Member and the Explanatory Memorandum, and I have supplemented it with some little further study that I have brought to bear upon it. What I seek to make out is that the military expenditure is extravagant, and that it is capable of considerable retrenchment.

Then I would refer Honourable Members to page 11 for what is being done in the case of exchange. They will find that in 1930-31 on account of exchange Rs. 47,78,000 have been spent and in 1929-30 Rs. 30,11,843. The cost of exchange from 1926-27 to 1928-29 putting it at a low figure of Rs. 30 lakhs per annum must have amounted to 90 lakhs. From 1926-27 to 1930-31 thus, the cost amounts to 1 crore, 67 lakhs and 90,000. All this would have been saved in the absence of an artificial exchange. In addition, there would have been a saving, if 16d. ratio had continued, of 10 crores, 7 lakhs and 40,000 at a very modest calculation on account of the difference between the 16d. ratio and the exchange rate roughly 1s. $5\frac{3}{4}d$. at the times of p has been told us that if we attempt to meddle currency system at this time we would suffer greatly. I payment. Horrors have been conjured up to our imagination. So far as I can see, the issue is not between the two ratios of 18d. and 16d. What I want is an automatic currency instead of a managed currency needing constant manipulation, if it is to be maintained at all. We may agree that the 16d. ratio would have needed some manipulation; but that is no answer to those who demand a clear gold standard and currency. According to me, even a return to the single silver standard unconnected with gold, as before 1893, would be preferable and economically more beneficial to India. The present ratio of 18d. is, according to me, a miserable makeshift. It places upon the country's life a heavy load which must necessarily retard its recovery.

Then I would request Honourable Members to look at page 14. They will there find the programme for ways and means, which is in my opinion distinctly uneconomical, and altogther inadvisable, in the present circumstances. This programme argues a hand-to-mouth policy, which certainly the Government cannot be very proud of. The Budget provides for a new rupee loan to the extent of 15 crores. Why cannot an absolute halt be called to capital outlay? Interest will have to be paid upon this new loan, which will altogether nullify the little retrenchment that we may be able to secure for ourselves. The outstandings of the Treasury Bills in the hands of the public will increase, and will levy an unseen burden, for the discount is always paid at the start. Again withdrawals from the Post Office Savings Bank and from the Postal Cash Certificates are likely to be exceeded, if the present economic condition continues or worsens.

A Retrenchment Committee has been proposed, but I must submit that this committee will be of no use, so far at any rate as the expenditure and revenue of 1931-32 are concerned. It may have far-reaching permanent effects in the future, but for our immediate purposes it will be of no use. I would respectfully suggest to the House to make up their

mind to propose a cut of about 6 crores in the expenditure to be incurred for 1931-32, and then let a committee be appointed to find out how the amount of this cut is to be distributed to the several Departments. we are assured that the estimates of expenditure are too heavy, and those of revenue too sanguine, the only course left to us is the one I am suggesting. The Honourable the Finance Member is a very able man. He knows how to use his words; but he also knows how to juggle with facts. If we have a Retrenchment Committee consisting of some Honourable Members of the House and some experts for implementing the retrenchment we make in the Budget for 1931-32, and for suggesting permanent reductions in our expenditure, then we shall be safe. The Honourable Member has delivered a sermon to us in respect of our contractual obligations, and he has praised the Indian Civil Service. He was probably afraid that we may not be able to see the value of the work that has been done for us by the Civil Service so far. I am not unmindful of the necessity of respecting our contractual obligations. I hope we shall never be found guilty of ingratitude. But our condition is abnormal and if at this time we request for a general reduction, it should not be resented. England is going in for a ten per cent. reduction of salaries, and there is no reason why we should not also do the same. The conditions of India are much harder than those of England. I am not at all unmindful of the excellent work that the Civil Service has done, or is doing; but when the Honourable Member makes bold to say that, prior to the inauguration of the Civil Service, there was darkness in India, that justice was not properly administered, that finance was not looked after, I beg respectfully to differ. As a student of history he must have realised that from 1722 right up to 1840, India's trade was in a most flourishing condition, despite the prohibitive duties that were levied against Indian commodities at English ports; and if that be true. I have respectfully to point out that some of the financial chaos at the present time is due to the Indian Civil Service. I am reminded that I have taken a long time. I therefore shall not go on with my criticism any further. I hope that what I have said will have the requisite effect.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, we are just coming to the end of a bad financial year. During the year we have over-spent, and our expenditure has exceeded our incomeby 12.68 crores. During the current year our debts ncreased from11.36crores to 11.60 crores, that is. erores, and a very disquieting part is that our sterling loan increased by 29 erores, while our internal loan diminished by 5 crores. This is a very disquieting feature, especially when we are on the eve of new reforms. the prospects held out to us are anything but brilliant, unless we substantially change our policy and substantially curtail our expenditure. Sir, we are in a very unhappy position. Here we have got the Government of India, who are responsible for the financial policy, incurring heavy expenditure, and we are in the unfortunate position of having to vote for new tax-Now this is a very unfortunate position! I think, Sir, those, who are responsible for heavy expenditure, should also be made responsible for the fresh taxation, or vice versa. I therefore hope and trust that the Honourable the Finance Member and the Members of the Treasury Benches will realise that if they ask us to vote for new taxation, they should also take us into their confidence about their financial policy about their loan and

[Dr. Ziauddin Ahmad.]

about their detailed expenditure. Now I do not want to discuss today the financial policy, as we will have to do that in great detail when we take up the Finance Bill. I very strongly object to their pursuing the policy of contraction of money, their raising the rate of interest, their sale of Reverse Council Bills, and their raising loans at very high rates of interest in England. All these four policies require very serious consideration. I do not want to discuss them in detail today, but we will have plenty of opportunity to discuss them when we take up the Finance Bill. The Honourable the Finance Member, in paragraph 108 of his speech, pointed out that there was some panic in India and the people were anxious to send capital from this country to Europe, and to stop the exodus of India capital he had to fall back on these four methods which I have just described. Sir, may I just draw the attention of the House to the fact that he could have adopted a much simpler method of stopping the flow of capital from India to England, and that would have been to change the rupee ratio. Had he simply changed his exchange ratio slightly at the time instead of artificially keeping up these four methods just described, then the flow of capital from India to England would have been more effectively stopped. No doubt the stability of currency is a very important item, and every Government ought to guard it very jealously, but when the sick man is dying and is reduced to a very extreme position, then it is madness to stick to this policy and ruin the country. This is not my main point for discussion now; I will discuss that in detail later on.

Sir, we have three main sources of income and three main items of expenditure. Our three main sources of income are the Customs, the Taxes on Income, and the earnings from our commercial concerns, which include the Post Office, the Railways, Opium, Salt and perhaps Mint and Currency also. Now on the expenditure side, we have also three main items—(i) the Military expenditure, (ii) the General Administration, and (iii) the Payment of Debt. I do not want to take up military expenditure today, as we will have to discuss the question in detail tomorrow; and I think by adopting a different policy, it is quite possible to reduce military expenditure not by one crore or two crores but by a substantial amount. I take up the second item of expenditure, Civil Administration, which is really the important item for discussion today. Now, Sir, the Inchcape Committee was appointed in 1922-23 in order to cut down the expenditure on the administration side, but to our great disappointment we find that the expenditure is constantly growing. Whereas in the year 1923 it was 8.65 crores, it has now risen to 1267 in the current year, that is, it has increased by about 50 per cent. Now if the result of the Incheape Committee has simply been to increase the expenditure by 50 per cent., I would pray, for goodness sake, do not appoint more Retrenchment Committees. Sir, the Honourable the Finance Member, in his Budget speech, suggested the appointment of a Retrenchment Committee. That suggestion was very ably discussed by Sir Hari Singh Gour, who pointed out, by quoting the speech of the Finance Member, that retrenchments are of two kinds—those due to a change in policy, and those due to wiser administration of the existing system. Now if this Retrenchment Committee is going to discuss a change of policy including the military, then probably it will be worth while to have it, and it may lead to some substantial cuts, but if its functions on the other hand are limited only to dropping one clerk here and dropping another clerk there, then I may be permitted to contend that it will not be worth while to

appoint such a Committee, as the expenditure which we will then have to incur on it will not be justified by the results. Sir, when I joined the Finance Committee this year, I wrote to the Secretary of the Finance Committee to give us more opportunity to discuss the details of the expenditure. I suggested at the time that the Finance Committee should be split up into three sub-committees and each sub-committee should go thoroughly into the detailed expenditure of three or four Departments of the Government of India, but I was told that the rules in force did not remit of that, and it was suggested that all the eighteen or nineteen of us should sit together and discuss only minor questions, for instance whether an increment of Rs. 100 should or should not be given to an officer in Bombay or Burma, but the broad question whether any substantial cut could be made in the administration, whether the financial policy could be revised, was denied to the Committee; and whatever functions the Honourable the Finance Member may want to assign to this Retrenchment Committee, may very well be handed over to the Finance Committee, if it be permitted to work in sub-committees, and certain changes are made in the procedure. We have seen that the Public Accounts Committee have already done very good work in this connection, but unfortunately their work is post mortem work; it is criticism indulged in when it is too late. So if more opportunities are given to the Finance Committee, if that Committee could go into details of administration and establish direct connection with the Land and Revenue Department, then it will be quite possible to effect substantial savings. The Finance Committee will then be in a position to scrutinise expenditure and find the reasons why the expenditure in the Civil Administration has been allowed to increase by 50 per cent., in spite of the recommendations of the Incheape Committee to the contrary.

Now I come to Military expenditure. Though it is shown on paper that we have diminished the expenditure next year from 55:30 crores to 52:60 crores, really speaking, the expenditure has not diminished, because they paid in another crore and 73 lakhs by the back door. This amount has been paid to them by the Railway Board. We can discuss it in greater detail tomorrow.

Now the third important item of expenditure is the question of Debt. Here we find that this year the interest on our public debt has increased by 2 crores. Now this is a very disquieting feature. If we go on raising new debts every year and increasing interest by two crores of rupees each year, we soon become bankrupt. By simple arithmetic, and the Finance Member is quite expert at that, it is possible to calculate the time by which the whole of the revenues of the Government of India would be used up in the payment of debts. This is a thing we should guard against, and we should not try to increase our debts and thus as a consequence increase the interest which we will have to pay out of the revenues.

Sir, I now come to the income side, and it is a thing which we should look into in order to avoid fresh taxation. The first is the question of Customs. I cannot propose any substantial change today, but I may venture to make some suggestions which may be considered at the time when this financial arrangement in the Round Table Conference is taken in hand. The income derived from Customs is consumed entirely by the Army which we must maintain for the defence of India. This question of defence is a question of importance not only for the people of the British India, but it is a question of equal importance to the Indian States. I think that if is

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but just and reasonable that the Indian States may also be asked to contribute for the defence of India. It will however be a point to be considered whether it is not possible that Customs by some arrangement with the Indian States be made a Central subject and the Government of India should be responsible for the collection of the revenues by means of Customs. Now, I know that there may be some difficulties in the Treaties, but when we are considering the whole constitutional question, this point can also be discussed. Some contribution may be made for the financial losses of the States, but the very important point is that the whole Customs cuglit to be arranged by the Central Government and not allowed to be managed by individual States. Now, Sir, no person is more qualified and can appreciate the difficulties better than the Honourable the Finance Member himself. There are serious difficulties, and there are serious questions of smuggling and there are serious questions of hard and unfair competition in business on account of differences in tariffs and differences in Custom authorities. I hope that this is a point which will seriously be taken into consideration when we begin to discuss the financial arrangements to be arrived at between the Central Government and the Indian States.

Sir, the second question relating to the sources of income that I wish to take up is the question of Income-tax. This also is a question which we ought to discuss very carefully in the Round Table Conference, and I am strongly of opinion that the collection of income-tax ought to be transferred to the provinces. There are so many serious difficulties in the administration of the collection of the income-tax by the Central Government, and the collection would be more economical if it were left in the hands of the Provincial Governments. Of course, I do not want to enter into very great details of this particular subject, but I am perfectly convinced that the collection would certainly be cheaper and more effective if it were transferred to the provinces. My second point is

- Mr. President: Order, order. I have allowed considerable latitude to the Honourable Member. I should like to draw his attention to the motion now before the House, which proposes to censure the Government for neglecting to effect substantial retrenchments in all the Departments. It has nothing to do with the Round Table Conference, and any remarks relating to it are not relevant to the present motion.
- Dr. Ziauddin Ahmad: Sir, I stop this particular part of my speech at this stage and will take it up when the opportunity arises.

The next question which I wish to take up is the third source of income,—the income from Commercial concern, namely, the Post Offices, the Railways, Opium and Salt, and I should add Currency and Mint.

- Mr. President: The Honourable Member should restrict his remarks to retrenchments in these Departments.
- Dr. Ziauddin Ahmad: I just want to discuss that administration in order to increase the source of income. Sir, if we exercise some kind of retrenchment, then we will be able to have more money available and the taxation will become superfluous. I first referred to the case of the Post Offices. Now, Sir, the Post Office is a paying concern in every country and we find that even here in India the Post Offices yielded a revenue of 188 crores in the year 1926; in 1925 they paid 80 lakhs. Then the administration began to break down. Something happened and the business suddenly began to be a losing concern. The result was that, instead of yielding an income,

it began to show signs of serious financial losses. In the following year we had to pay from our own pocket 5 lakhs of rupees; in the current year the loss amounted to 1.59 crores, and this year we have shown a deficit of 97 lakhs. So, this commercial concern, which ought to have been a source of profit to us, has really become a source of loss to the revenues of India. Sir, this is a question which requires very serious consideration from the Executive Council. This Department ought to yield an income. I wish we had a special committee to inquire into the question of the income of the Post Offices, as it is a very important question. Instead of having an income of a crore of rupees from this Department, we are actually losing a crore of rupees; thus we are losing about 2 crores of rupees. If we could reform only this Department and save these 2 crores of rupees, then the proposed fresh taxation on income will no longer be required.

Sir, the second point to which I would draw the attention of the House is the second commercial undertaking, namely, the Railways, the details of which we have already discussed. Sir, when I first began my rule of three in arithmetic, my teacher put a question to me like this. The price of a horse, whose age is 20 is Rs. 100, what would be the price of the horse whose age is 30. As a young boy, I only applied this simple rule of arithmetic and increased the price in the ratio of 2:3. But the teacher said, I was wrong. He said in case of an old horse I should apply the rule of inverse proportion, that is to say, instead of increasing the price in the ratio of 2:3, it should be diminished in the ratio of 3:2! Sir, I thought that this example of inverse ratio could be applied only to the old horse, but I find that this is also applicable in the case of our Railway Department. I will just give you the figures. I have before me the figures supplied by the Financial Secretary (pages 46 and 47). In the year 1923, our capital investment was 517 crores; in the following year our capital rose to 537 crores and it went on every year. Today it is 745 crores of rupees.

- Mr. President: The Honourable Member is still going on about the revenue of the Railway Department. The motion before the House is what retrenchments should be effected in the various Departments. If the Honourable Member will restrict himself to the motion before the House, he will be in order. I cannot allow him to discuss the Railway Budget which has already been disposed of.
- Dr. Ziauddin Ahmed: The point which I was pressing is this, that the Executive Council ought to carry on retrenchments in commercial concerns. If the retrenchment is carried on thoroughly in all the commercial concerns, and particularly in the Post Office and the Railways, then the new taxation will not be needed. That is really the point which I want to make out, and from this point of view I say that, though our capital investment on Railways is increasing year after year, our income from the Railway Board has been steadily diminished during the last eight years. I would like the Honourable Member just to refer to the figures supplied to us on page 28. In the year 1923-24 they gave 6.44 crores; this year they have reduced it to 5.36 crores. Therefore I want to conclude by saying that if our commercial concerns are better managed, if instead of giving us a loss, they are administered at a profit, and if we are to make some retrenchment in the civil administration and also in our Army, then fresh taxation will not be required.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President in the Chair.

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): Sir, I thank you for giving me this opportunity to speak in this debate. I am not quite sure though, if we on this side of the House can serve any useful. purpose by moving these cuts. We have been moving these cuts from year to year, and I can almost imagine my Honourable friend, the Finance Member, laughing in his sleeve and saying to himself, what simple fools are these that they should be moving these cuts when nothing comes out of it at all! All the same, Sir, I noticed, and other Honourable Members in the House must have noticed as well, that Sir George Schuster for the last few days has been somewhat haunted by the nightmare of his successors. Well, Sir, if nothing else will do it, I hope that that troubled vision might, at any rate, induce him to take up a different attitude towards the proposals which are brought forward from the non-official Benches. Sir, we move cuts, we offer our suggestions, we make our comments, but what do we get in return? Beyond the formal courtesy of a very polite reply,—and even that we sometime miss,—we do not get very much further. The executive is irresponsible and irresponsive. We have nonetheless a duty to perform, be it no more than performing what I might call the mere lyrical function of speaking out our minds.

Sir, I believe it was Mr. (now, Sir) Arthur McWatters who in his evidence before the Hilton-Young Currency Commission stated that India had reached the limit of her taxable capacity. That was five years ago, in 1925. Since then, during the quinquennium that has followed, I believe the Honourable the Finance Member will admit that the economic deterioration of India has been both acute and widespread. If that be so, I ask, Sir, if India in 1925 was not in a condition to bear more taxes, is not she much less fitted today to support any additional burden? All the same, the Honourable the Finance Member, through callous indifference, or for some other reason, I do not know, has thought it proper, and necessary, too, from his point of view, to impose a further burden this year. What is that burden? Sir, you remember that last year, some additional taxes were imposed, and taking the taxes which were imposed last year, with the additional taxes which are proposed this year, I believe the burden will not amount to anything less than 22 crores of rupees. When I say that, I would point out that the proceeds of some of the taxes which were levied last year exceeded the estimates of the Honourable the Finance Member. It may be that this year, too, the estimates which he has made will prove to be under-estimates. If that be so, the burden will be all the heavier. Sir, I venture to submit that, before you proceed to add to the burdens of the Indian taxpayer, you should satisfy yourself and satisfy the public that you have done all that was possible in the way of retrenchment. I remember, Sir, having read somewhere that there are three things which always do stretch,—the first is, a story oft repeated, the second is, a scrupulous man's point, the third is, the conscience of a hypocrite. Sir, I believe the Honourable Sir George Schuster would wish us to add a fourth to the list, that is, the Indian taxpayer's capacity. I wish, however, to warn the Honourable the Finance Member that that taxable capacity has reached almost the breaking point, a point at which what is called the law of diminishing returns will probably begin to operate. In that case, it may turn out that the

new taxation will mean that you are killing the goose that lays the golden eggs. Sir, I claim that there is no scope for more taxation, and the Honourable the Finance Member will forgive me if I say that we, on this side of the House, find it very difficult to believe that he is really earnest or serious about retrenchment, or that he has been as thorough or as quick as he might have been in his plans for economy. Sir, I was just looking at the speech which the Honourable the Finance Member made in this House last year, and in that speech he dealt with this question of retrenchment. What is it that he then stated? He reminded the House that in the previous year, that is to say in 1929, he had given them an undertaking to make "a close scrutiny and survey of the growth of expenditure during the past five years". That was in 1929. The following year, in 1930, what was the outcome of that? What did he say? He said that reports had been prepared for each Department. The inquiry had not, however, been completed. All the same, the Finance Member was convinced that the materials which he had obtained were sufficient to enable him to say,—I had better quoted his own words:

"A good deal remains to be done in the way of completing the details of this inquiry, but I have gone far enough to come to the conclusion that for various reasons we cannot count on being able to find any substantial margin for reduction in the cost of the civil administration of the Central Government."

Sir George Schuster was not still to be daunted: he would still pursue his quest for economy, though he knew well enough that in his opinion there was no room for retrenchment. What he did, therefore, was to announce that the Government had decided to appoint a special officer to complete the inquiry. The position, then, was this. In 1929 there was the undertaking for a close investigation. Then, in 1930 it was said that Reports had been received from the Departments, then there was decision to appoint a special officer. That special officer was appointed in the person of Mr. Jukes. What came out of that? If you look at paragraph 45 of Sir George Schuster's Budget speech, you will find he refers to that. Mr. Jukes' Report is not yet complete and is not yet before us! The Finance Member tells us that "for reasons beyond our (i.e., the Government's) control", it has not been possible to place that Report before the Honourable Members of this House up to now. That is how this thing has been going on. And if in the face of these facts, we on this side of the House are disposed to accept the statements and assurances of the Finance Member with a grain of salt,-of the taxed salt of India—I believe he will forgive us. Now, Sir, this year a further promise is made to us. We had a special officer last year. In addition to that, we are now given a Retrenchment Committee—a sop to this House. All the time though, be it noted, the Finance Member keeps on reiterating his view that there is no margin, at any rate no substantial margin, left for further economies in the civil administration. That is, I say, not the right way of setting about this business, at any rate that is not the way which appeals to us. Sir, we know how the Inchcape Committee had set about their business. If you want to retrench, I sav, you can retrench, and it should be unnecessary for you to have resort to these expedients or these excuses for delaying or for evading action. Sir, in paragraph 75 of his speech the Finance Member, referring to the position this year, says:

"Expenditure and revenue returns will have to be carefully watched, and if conditions show signs of deterioration, it may be necessary to take interim measures to counteract them."

[Mr. C. C. Biswas.]

May I ask in all humility, what was done during the previous year? Was it not apparent to the Honourable the Finance Member, as the year progressed from month to month, that deterioration was proceeding at a devastating pace? And still what are the interim measures which he had taken for the purpose of counteracting that tendency? Beyond appointing a special officer who has not yet completed his inquiry, nothing further seems to have been done. Sir, I do not wish to go into details, but I might just give you a few instances which occur to me only by way of typical illustrations to show how it is possible to effect some economy in the civil administration, only if you have the will to do it. I will take a Department with which the Finance Member is familiar. I will first take the post of Controller of Civil Accounts, a very highly paid officer. May I ask why, if the situation was so bad, it was not found possible to hold that post in abeyance, as had been done once during the war when Mr. Alder held the post? Take, then, the post of Deputy Auditor General, Administration. May I ask where is the justification for having this post in class I, when this post was originally in class II under the designation of Assistant Auditor General; and especially when a third appointment in class I under the Assistant Auditor General has been added to the office? Then, Sir, I ask, do you really require a separate Chief Auditor, in the rank of an Accountant General, for each of the two Railways in Calcutta, the East Indian Railway and the Eastern Bengal Railway, with a Deputy for each of these Railways in class I? I doubt if the Chief Auditor and the Deputy have more than a couple of hours' work each, especially in the Eastern Bengal Railway. Is it not possible to combine the functions of statutory audit for these two Railways in one officer, one Chief Auditor, with two Deputies to help him, one for each of these Railways? Then, Sir, in the Standing Finance Committee I found that there was a post of Financial Adviser for the Posts and Telegraphs Department. I believe I am correct in saying— I am speaking subject to correction—that in a province the Accountant General performs the functions also of a Financial Adviser. If in a province the Accountant General can act also as a Financial Adviser, is it very necessary that a small Department like the Posts and Telegraphs should have a separate officer (in Accountant General's rank) as Financial Adviser which means a larger establishment and larger costs? What again, is the object in having the post of Deputy Accountant General, Posts and Telegraphs, Calcutta, in class I? This office is not bigger or more important than other Postal audit offices, where the Deputy Accountant General in charge gets class II pay. Then, Sir, I find that there is a craze for extending the commercial system of accounting to every Department, which of course means increased costs. The Postal Department, for instance, is now treated on a commercial basis. I am a layman, but I suppose a commercial concern is one in which there has been outlay with a view to get a return on it, but if it is all a question of rendering services, that does not make a concern commercial. Why, then, should the Postal Department be treated as coming within the category of a commercial concern? There is very little outlay of a capital nature in that Department. The thing is as absurd as if you treated the Roads and Buildings Branch of the Public Works Department on a commercial basis. I can quite understand the Irrigation Branch being regarded as a commercial concern; so also the Railways, and also the Army for the purpose

of comparison of cost with such expenditure in other countries, but what justification is there for treating the Postal Department as a commercial concern? Could you not save the costs by abandoning that policy? I say that for the purpose of accounting the Postal Department should be separated from the Telegraph Branch, in the same way as the Roads and Buildings Branch is separated from the Irrigation Branch. I am referring to these only by way of illustration. I maintain that your administration is top-heavy, it has been made purposely top-heavy; and beyond some soft and sympathetic words from the Finance Member and the other Members of Government, we have had no further satisfaction by way of real effective retrenchment. I say, that will not do. The only consolation is this: we are we hope, coming to the end of this blessed régime, the grave of the Bureaucracy is being dug; we can almost hear the thud of the spade and the music of the knell.

Mr. B. V. Jadhav: Its place will be taken by another bureaucracy.

Mr. C. C. Biswas: Sir, the Finance Member has been profuse in his anxiety to assure us that all that is possible is being and will be done in the way of retrenchment, but we do not find any evidence that any measures have been taken for a substantial cut in the salaries. The Finance Member referred to this matter in the course of his speech, but what did he say? That this would mean—if there was to be a cut in the salaries—that we should be cutting at the roots of confidence in the good faith of Government and be likely to create a feeling of uncertainty in the public services. May I ask, how is it that such considerations have not stood in the way of similar cuts being given effect to in other countries? In Germany, in England, and even in Argentine, there have been such reductions, but we never heard any such plea of impairment of confidence in the good faith of Government there.

I will not go into the question, as the Honourable the Finance Member has not gone into it in his speech, as to whether or not India is having to pay for a very costly administration, much more costly than she needs. All the same, I do not see why the Finance Member should not have taken courage in both hands and proposed a substantial cut in salaries. At any rate, that would have given some earnest of the boná fides of Government; that would have shown that Government were prepared to make a sacrifice themselves before calling for a sacrifice from others. Sir, there has been recently in other countries such a thing as a sacrifice tax. The salaries and the scales of salaries remain as they are, but a sacrifice tax is imposed to bring down the net payments to a level commensurate with the economic position of the country and with the severe drop in prices. Such a tax can be removed or may be lightened, if prices again soar to giddy heights or the country attains an increasing measure of prosperity. I should have expected, Sir, that an appreciation of the country's state of finances as well as of the increased purchasing power of money would have impelled the Government officers to come forward themselves and voluntarily submit to a sacrifice tax, thus setting an example in retrenchment. Before you think of imposing additional burdens on the Indian taxpayer who is already overburdened, it is only

[Mr. C. C. Biswas.]

just and fair that you should satisfy the public that you have done all that was possible in the way of reducing your own expenditure. There is no indication of that in the Budget speech of the Finance Member, or in the Budget policy of the Government. The British Chancellor of the Exchequer did not hesitate to take such drastic steps even at the risk of great unpopularity in his own party. What we too want is such measures—not halting measures, not measures which will prove futile, not special officers and special committees; we want action; we want action resolute and radical, which will bring about a substantial lightening of the taxpayers' burdens. That is what we want, and that is what we so sadly miss.

Sir, a favourite argument for delaying action on these lines is that we are now face to face with constitutional changes of a very important character that the whole future is in the melting pot, and therefore cannot think of retrenchment at this stage. I do not think that is a fair argument to put forward. How does this question of carrying on the day to day administration depend necessarily on what the future constitution may be? Coming changes in the constitution did not stand in the way of the appointment of special officers—of the duplication, triplication and multiplication of services. Why should they, then, stand in the day retrenchment, if you are really keen on retrenchment? Mr. Jukes was put on this job. I do not know if Mr. Jukes was keen on this job, or Government were keen that Mr. Jukes should do his job; but what we know is this; that Mr. Jukes had been superseded by Mr. Burdon as Auditor General, and some job had to be found for Mr. Jukes. Whether affords a true explanation of the special duties which were put on Jukes, is more than I can say. But this is how things have been going on, and that is the state of things against which we on this side of the House deem it our duty to enter our most emphatic protest.

Sir Hugh Cocke (Bombay: European): Sir, I just want to say a few words on this retrenchment cut which has been moved by the Honourable the Leader of the Opposition. While we realise in this quarter of the House that a considerable amount has been done by the Finance Member in the interests of retrenchment and he has shown, I think, very clearly from his Budget speech and in other ways that he has had retrenchment very much on his mind, we are not satisfied that everything that could have done has been done, and we are therefore going to support this token cut against the Government. I do not want to enter into a lot of detail, although perhaps the Honourable the Finance Member may well complain if we support a cut of this nature without having specific items to which to refer—cases in which we consider expenditure should have been down. I can only deal today with general figures and I look at the expenditure of the Income-tax Department. I take the four years' figures which are given in this Explanatory Memorandum, and I see an increase in the expenditure on running the Income-tax Department from 651 lakhs in 1927-28, to 771 lakhs for the Budget year, an increase of Rs. 11,66,000, in collecting much the same figure of revenue. It is true the Budget figure

of revenue for the coming year in a good deal higher than the year 1927-28, but I do not imagine that will justify any enlargement of establishment. The Finance Member has told us that a lot of increased expenditure is due to the normal increases of staff pay. To some extent these Departments are new or they have been considerably enlarged in the last ten years and the Income-tax Department has in particular, and of course you have got the greater part of the staff subject to their normal increases, and that gives you an automatic increase which is very difficult to reduce. One can only suggest in those cases that some of the higher posts should be cut out from a business point of view. The reply to that may be that the man is there under contract and he cannot be got rid of. All that I can say is that no Department of Government really ought to be run on lines that you cannot retrench the expenditure in the establishments. It ought to be possible to have a sufficient number of

people under short contract so that you could cut out various persons at

short notice and so reduce your expenditure when necessary.

Then in the Civil administration again, I referred to the figures the other day. They showed in the four years an increase from 11 crores 20 lakhs to 13 crores 16 lakhs, an increase of very nearly 2 crores in four years. Miscellaneous expenditure also increased from 3 crores 75 lakhs to just over 4 crores in the Budget year. All the figures show an upward tendency, whereas one would have hoped, in view of the depression that exists, that it would have been possible to have got all these figures down to a point nearer to those with which I make comparisons of three or four years ago. I know the difficulties in the way. I also know that the Honourable the Finance Member has done a lot towards this issue, but we feel, in view of the protests we have had from our constituents mostly in the bigger towns, that at a time when their emoluments have been cut down and bonuses extinguished, they are called upon to pay a considerably enhanced taxation, naturally retrenchment must be pressed over and over again upon the Government. We pressed it last year, and we desire to press it again this year and we shall continue to press it until the taxation on the community we represent becomes less burdensome.

Sirdar Harbans Singh Brar (East Punjab: Sikh): Sir, we heard the Honourable the Finance Member say that there was no possibility of any appreciable reduction in expenditure either by stopping wastage or by reduction of staff or salaries of officials in the Government of India. I would like to take some of the Departments one by one, where, I think, a large percentage of reduction in expenditure is possible. During the discussions in the Standing Finance Committee we came across the Posts and Telegraphs Department, where we found that in the Budget for 1930-31 provision was made for 59 lakhs. Up to the end of November, when eight months of the year had passed, only 16 lakhs had been spent, while in the ordinary course 40 lakhs should have been spent. The explanation came forth that they tried to spend all the money during the last four months of the year. I have come across privately many cases where, about the end of February, letters were received by the Departments from the head of the Department pointing out that in the previous year so much money was sanctioned and asking them why they had not

[Sirdar Harbans Singh Brar.]

spent it till then, and saying that they must try and spend it before the 31st of March. I personally think, Sir, that this is not a policy of retrenchment, this is not the way for carrying on the administration of the Government profitably, but this is an attempt deliberately to waste public money. It is for the officers of the subordinate Departments to ask for money when they want it, and it is not for the administrative departments to call upon their subordinate offices to spend the sanctioned within a certain time; in fact administrative Departments should not allow the money to be spent by the subordinate offices in any way they like. In many other cases in regard to new items of expenditure, when we asked them if they could not reduce it by some substantial lump cuts say of 2 lakhs out of 8 or 9 lakhs, they readily agreed without pausing for a single moment for a cut of 2 lakhs. That shows, Sir, that there is too much of over-budgeting in all the Departments, and if a thorough inquiry is made into the whole affair by the Finance Department, a lot of wastage could be stopped and the administration could be carried on at much less expense than at present.

Then for ordinary police stations in New Delhi, we found that in the Demands for Grants they wanted about 1 lakh and 50 thousand rupees for a building consisting of about ten rooms. Now, there could have been a lot of saving in that if an attempt towards economy had been made. For instance, about 87 lakhs has been spent for the Council House, and it could certainly have been built much cheaper, considering the poverty of India, and without much grandeur or beautification of the place. Sir, from the Finance Department we get letters of just this size (here the Honourable Member showed the size of the paper and also of the cover with his hands) and an envelope of about 2 feet long by 9 inches wide, as thick as Serge. There could certainly be a lot of saving in printing and stationery if real economy is observed.

Then in the Army and the Railways, as has been admitted by Lord Rawlinson, about 2,000 officers are simply kept there to provide occupation for professional Army families of England, so that these people must be provided with opportunity to keep up their family tradition and remain here. Sir, there is so much good material available among the martial races of India that we could easily avail ourselves of the experience of the States where they have been keeping armies for centuries and centuries. and we could, by putting Indian officers in charge, reduce much of the military expenditure. Sir, the allowances, overseas pay and other extra emoluments the English officers are paid impose some sort of discrimination. The majority of the persons who are Indians in these services also keep their families and children in England for education, Their families go to England, but they do not enjoy the same privileges regarding passage concessions, etc., as their European brother officers, and I think, considering the high rate of salaries paid in India and during the present period of economic depression, we could quite profitably request the European officials to make some sort of sacrifice in the general interests of country which they have the honour to serve and whose salt they eat every day—I think these people should be asked to give up the special privileges

for as long a period as the present depression continues, and I am sure that in this way a lot of reduction could be effected.

Then I came across during the discussions in the Standing Finance Committee an item regarding Baluchistan. There is only one Executive Engineer in the Irrigation Department, and to superintend his work a Superintending Engineer has been appointed on a huge salary. It would have been much better had they given the Executive Engineer one or two more Sub-Divisional officers to help him in his work rather than appoint a Superintending Engineer on a huge salary to supervise the work of an Executive Engineer.

Then again, Sir, in the Public Works Department we find that staff which was appointed when the construction of New Delhi was first taken in hand has not been reduced though the construction of this new city is practically completed; on the other hand, the staff has been increased, though the work is almost completely finished and only maintenance is required. Today we got the answer that about Rs. 17 lakhs is the cost of the establishment of the Public Works Department for New Delhi alone and another 19 lakhs for other maintenance. I think in the whole of the Punjab, the Roads and Buildings Branch does not cost so much for establishments. After all, the Punjab is a much bigger province this New Delhi city, and yet the expenditure incurred on the P. W. D. establishment is very much less than is incurred by the P. W. D. of New Delhi on one city alone. It may be the headquarters of the Government of India, but no other country, even the richest in the world, has tried to waste money like this simply for the sake of grandeur and beautification of the city and roads. I have during my five years stay in England never come across during the bad weather months like November. December and January any proposal put forward by the British Government they should move to some other place having a better climate like Bournmouth or Torquay. Nor has the French Government ever suggested their moving to the southern parts of that country known as the Riviera. It is only in India, which is the poorest among the poor countries that we have this bureaucratic form of Government, which tries to waste every single penny they can get hold of, over-burdening the peasantry of India with heavy and increasing taxation, and getting up to a hill station spend seven months there every year. We do not grudge the Governors and the Governor General, or even Members of the Executive Council going there, and they could deal with their Departments at Delhi telegraph, telephone and post and a lot of saving could be effected there. 15 crores of rupees have been unnecessarily spent on this city, and Rs. 36 lakhs are spent annually on its maintenance, and still the Government of India utilises this new city only for five months in the year. That I should call a scandalous waste of the public trustee money which is in their charge and I think that when the provision in the budget is so excessive considering the income per head of the population, the Government are not trying to reduce the expenditure. They say you may have a Retrenchment Committee, but there is no chance of Government being able to carry out any reduction either in the staff or in the salaries. When the Honourable the Finance Member tells us that, I do not think there is any use in our appointing a Retrenchment Committee, when the Goevrnment

[Sirdar Harbans Singh Brar.]

prepared to help us. They are experts in the matter, and they could help us if they wished, as all countries in such years try to do. It is not the less spending of money in the Government of India which will reduce the credit of India in the eyes of the world, but I think it is the over-taxation of the masses. It will bring the machinery of Government to a standstill and the country's financial condition to a state of bankruptcy in a few years if you continue the present rate of taxation and increase the burden upon the taxpayer every year without any corresponding reduction in expenditure.

With these remarks I conclude, but I request Government that they should try their level best, through the advice of their expert officers in the Departments available, to reduce as far as possible over-expenditure and avoid over-budgeting by a reduction in the staff and salaries.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadan Rural): As the motion under discussion relates to substantial retrenchment in all Departments, I hope that I shall not be out of order if I make a few observations on the dire necessity for retrenchment in the Postal and Telegraph Departments. Sir, my Honourable friend, Mr. Biswas, said a little while ago that the Postal and Telegraph Department ought not to be treated as a commercial concern. I hold altogether the opposite view. It must be treated purely as a commercial concern, and ought to be made not only a self-supporting but a paying concern. As a matter of fact, the Department did contribute something to the general revenues till a few years ago, but, unfortunately, for the last seven or eight years it has been continuously losing very much. I find at pages 12 and 13 of the Explanatory Memorandum supplied to us, that the Postal Department worked in the year 1927-28 at a loss of Rs. 2615 lakhs in the year 1928-29 at Rs. 53.84 lakhs and in 1929-30 at Rs. 62.45 lakhs. In the current year the revised Budget estimates show a deficit of more than double of the previous year's loss, namely, Rs. 136.36 lakhs, and we have budgeted for a still larger deficit of Rs. 141 19 lakhs for the ensuing year. You will see therefore that for a series of years the deficit has been mounting up enormously. The Honourable the Finance Member stated that he had given instructions to all Departments to make effective retrenchments in their Budget proposals, but what do we see from the figures placed before us? The total working expenses of the Postal and Telegraph Departments are, as disclosed in the figures, Rs. 16 lakhs more for the ensuing year than for the current year. If this is an earnest of the retrenchment that is going to be effected under the orders of the Finance Member, I really do not know where we shall land ourselves.

Sir, I said that this Department ought to be made a paying concern. In England there was a net gain of £10·125 millions in the year 1930-31 from the Postal and Telegraph Departments. Sir, it is the same British Government that administers this country and I wonder why they should not take a lesson from their experience in Great Britain. I took some trouble to find out how the Postal Department was working in the Colonies. In Australia, though in the year 1927-28 there was a loss of £88,000 and odd, they made a large profit of £320,920 in the year 1926-27 and £119,821 in 1925-26. So, in Australia the Postal and Telegraph

Department has been a steady source of income to the Government. I find that the system of collecting annual returns in Canada and South Africa altogether varies from our system in certain relevant items of revenue going to other Departments, and therefore it was impossible for me to get the correct figures. I am sure that, as those Colonies are self-governing countries, very strict control is maintained and you may take it for granted that the Department must be paying.

I am inclined to think that there is no inducement, no incentive for the Director General to effect retrenchment. His salary is non-voted and why should he bother? The fundamental principle of administration, if you refer to Kautilya's Artha Sastra, you will find that every Department must be made, as far as possible, self-supporting. Here the administration is irresponsible. It looks as if he has instructions to put up the expenses as much as possible. Otherwise, why should he sit quiet while there is ample scope for retrenchment? At any rate, he has not done anything, and this, I think, is inexcusable, to make the Department self-supporting.

Sir, it is high time to decide how the large deficit should be made up. There are two ways of doing this, either by additional taxation, or by retrenchment. So far as this Department is concerned, additional taxation is out of the question. Sir, I know the time was not long ago when the postcard was sold at three pies and an ordinary embossed cover at six pies. Now, we have doubled the prices. So also, in the case of telegrams, the charge for ordinary messages was six annas, and for express only it was twelve annas. The rates have now been doubled. Therefore, any proposal to further increase these rates is not practicable. The only course open then, is reduce the cost of establishment, we strongly hold that the salaries of officers in the Department are very high, higher than is desirable and warranted, in spite of the declarations of the Honourable the Finance Member. The Honourable the Finance Member said in his speech:

"If Honourable Members will trouble to compare figures for other countries, they will, I think, convince themselves that the administration of India has hitherto been carried out, on the whole, at a very low cost."

We beg to disagree from him. It is distinctly the other way. I remember to have read in the *Modern Review* sometime ago a comparative statement of salaries of Government servants in all countries of the world. Unfortunately I am not able to place it before the House now, but I undertake to send a copy to the Director General or the Finance Member whoever wants it. There it is categorically shewn that the salaries prevailing in this country are very much larger than those prevailing in other parts of the world. As a matter of fact, India has the heaviest administration.

Now, it must be remembered that the present scale is the effect of increments given under abnormal conditions. These increases were given when the prices of foodstuffs and other necessaries were at a very high rate. Now that the prices have come down by 35 per cent. and conditions are normal, there is absolutely no harm in reducing or restoring the salaries to the old scale. It has been suggested by my Honourable friends here that the salaries should be reduced on a telescopic basis. That is, those getting Rs. 1,000 and over may be asked to give up 25 per cent, those that get Rs. 500 and over 15 per cent. and those that get Rs. 30 and over 10 per cent. That will not certainly work as a great hardship on these people.

- Mr. R. S. Sarma (Nominated Non-Official): Do you suggest this in addition to income-tax?
- Mr. K. P. Thampan: Yes, certainly. As my Honourable friend Mr. Rangachariar said, officers are the only people in the Assembly who show smiling face because they have no cares. Now that the question has been asked, I shall tell you I know a few Government servants, particularly of the Postal Department, who meet all their ordinary expenses out of their travelling allowances and other things. They save the whole of their salary. I shall give you an illustration of how some of them behave. It was brought to my notice by a correspondent the other day that one of the Superintendents was travelling in the second class with a third class ticket or even without it and was surcharged. He must have drawn from the Government travelling allowance at the rate of one and three-fifths first class.
- Mr. H. A. Sams (Director-General, Posts and Telegraphs): That may occasionally happen, but it is entirely against the rules of the Department. The officer who does that is looked on as dishonest and is punished.
- Mr. K. P. Thampan: I have got with me the letter from my correspondent who asked me to put an interpellation in this Assembly. I did not do so because I thought it was a purely personal matter. I will forward that letter to my Honourable friend Mr. Sams if he wants it. Here is another instance of an item of expense which could be curtailed. My correspondent wrote to me that the quarters of the Postmaster of Calicut have been lying vacant for two years, he living elsewhere, and are being used as a cowshed. This was brought to the notice of the Postmaster General at Madras, but no notice has yet been taken. The Department pays at the rate of Rs. 80 or so per month as rent. If the Postmaster does not want the building, why keep it?

I made a calculation to find out what the salaries of all the servants in the Postal and Telegraph Department, \mathbf{who} are more than Rs. 30, come to. From the entries between pages 15 and 74 and 120 to 128 of the statements I find that the total comes to the tune of about 5.55 crores. I have entirely left out all items of salaries, which range between Rs. 10 and Rs. 100, and there may be many in them which are more than 30 rupees. You will find, if the accounts are more closely and carefully examined, the total exceeds Rs. 5.55 crores. If you reduce the salary by an average of 10 per cent., you will effect a saving of 55 lakhs. On the expenditure side of the statement you find all kinds of entries. You have got the salaries of establishment, items such as house rent, cost of passages, hill journey allowances, travelling allowance, honoraria, payments on account of medical treatment, rates and taxes, liveries and uniforms, purchase and repair of furniture, and over and above all these, there is another item called "Other contingencies". Though no details are given, it is not innocent as it looks. I took pains to total up these "other contingencies". You will be surprised to find that they come to 24.12 This is the nature of the "other contingencies" for which no details are given which you are asked to swallow in entirety. You can easily cut 10 per cent. out of this, in which case you will easily get a saving of 2.4 lakhs. Then, Sir, there is the Stores Purchase. I find that you have budgeted 50 lakhs for Stores Purchases. The prices of all commodities have gone down very considerably and you can easily cut this down by at least 15 per cent. This saving comes to 7.5 lakhs. On the whole you will be able to effect a saving of at least 65 lakhs if my proposals are

accepted. If out of the net loss of 1.41 crores as estimated in the Budget for the ensuing year you deduct this 65 lakhs, you will then want only the amount required to meet the interest charges which come to about 87 lakhs of rupees. If these suggestions are acceptable to the authorities, the Department may be made at least self-supporting on the revenue account. An earnest endeavour has to be made and I request that the Finance Member will see his way to respond to our wishes which are put forward with the best motives and intentions.

Mr. H. A. Sams: May I at once repudiate the suggestion that I have ever been instructed to keep up expenses? It is an entirely untrue suggestion.

Mr. T. N. Ramakrishna Reddi (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): The cut before the House is that the Demand under the head "Executive Council" be reduced by Rs. 100, to discuss the question of a substantial retrenchment in all Departments. Now, the cut takes note of the retrenchment that has been made, as pointed out in the Budget speech. This cut has reference to the absence of a substantial retrenchment of expenditure in all Departments. Now, this cut covers a very wide field, but today I will confine myself to only two Departments, that is the military and the civil Departments, because these Departments, carry away a lot of money-military administration expenses to the extent of nearly 53 crores, and civil administration expenses to the Now, with regard to the military expenses, the extent of 57 crores. Honourable the Finance Member has pointed out that he has made a cut of nearly 53 lakhs odd under the modernization and mechanization scheme, and also 113 lakhs under other expenses. Now, I shall presently point out to the House that this is not really a substantial cut. four years ago the Military Department asked for Rs. 10 crores to be expended on modernization and mechanization of the Army over and above the usual expenditure. What the Finance Member did was to tell the Military Department that he could not grant Rs. 10 crores straightaway in one year, because the expenses were already too heavy under the military head, but that they should agree to spreading this 10 crores of rupees over a period of four years, so that the Military Department might spend at the rate of Rs. 2½ crores every year for four years. Thus the Government have stabilised the expenses of the Military Department at 55 crores Then last year the Honourable the Finance Member pointed out that he had effected a reduction of nearly Rs. 80 lakhs under military expenditure. When, however, you examine the question you find it was not really a reduction, because, instead of spreading the mechanization process over four years, he has only spread over five years the money which they have got to spend on the modernization and mechanization scheme. So also this year the Honourable the Finance Member has shown that he has further reduced the expenditure to the extent of Rs. 54 lakhs. again is not real reduction of expenditure, because he has spread the amount that the Military Department, has to spend under modernization and mechanization over a further period of Then, Sir. with regard to the Rs. 113 lakhs that has been shown as having been saved under the other general expenses in the same Department the Finance Member has in his Budget speech shown that the saving was due to the fall in prices of agricultural produce and to some other causes. When, Sir, the Retrenchment Committee fixed military expenditure at Rs. 50

[Mr. T. N. Ramakrishna Reddi.]

crores they could never have meant to stabilise it at that figure if they had anticipated, as they never did, that there would be such an abnormal fall in prices, as has happened today. At that time the index figure was not 150, as the Leader of the Opposition has pointed out, but it was 175. Now the index figure is down at 100, that is, at the pre-war level, and we have got the authority of one of the Members who served on the Retrenchment Committee, Sir Purshotamdas Thakurdas, who the other day said that if they had ever anticipated that the prices would fall to as low as the pre-war level, they would straightaway have recommended a reduction in the military expenditure to Rs. 40 crores. So in spite of this abnormal fall, the expenses are still being kept at the very high level of Rs. 55 crores, and this 113 crores is only a portion of the reduction, and that too was occasioned by the fall in prices and other causes and is not the result of any trouble which the Military Department or the Finance Department has taken to see that military expenses are reduced. Thus there is not really any reduction in military expenditure except that which has been occasioned by fortuitous circumstances and not due to any efforts on the part of the military administration or the Finance Member, and even now the modernization and mechanization scheme is going merrily on. The only thing is that it has been distributed over some more years. Thus there is one Department in which there is plenty of scope for reduction of expenses. Certainly, if the Honourable the Finance Member anticipated this deficit of nearly 14 crores or 15 crores, as he ought to have, he ought to have applied himself to the task of reducing the military expenses at least to the extent recommended by the Retrenchment Committee.

Then, I turn to the Civil administration. Here also the Finance Member has not tried his best to reduce the expenditure to any extent. after year the Honourable the Finance Member has been repeating that the Civil administration expenses have been going up very high, and the year before last he clearly stated that there must be a Retrenchment Committee again on the lines of the Inchcape Retrenchment Committee to reduce this ever-growing scale of expenditure in the Civil administration; and, though he has repeatedly told us that, what has been the effect? am sorry to submit that he has not made any great efforts to reduce expenses in this direction. Of course last year he announced the appointment of Mr. Jukes to suggest retrenchment, but his Report is still not forthcoming, and even Mr. Jukes had to enter on his task with a restricted He is a servant of the Government, and on the eve of his appointment it had been pointed out to us by the Finance Member that we could not expect any large reduction in the Civil administration expensesand so, Sir we cannot lav much store on Mr. Jukes' Report. Any way his Report has not been forthcoming. Now the Honourable the Finance Member wants to lull us into hope by suggesting the election of a Retrenchment Committee by the House. Now I find from the Budget statement that this Committee will have to work under a limited scope. In the Budget speech the Finance Member says that "The primary task of the Retrenchment Committee will be to investigate the possibilities of retrenchment in the Civil Administration as examined in this Report",meaning Mr. Juke's Report. So even this Committee has to examine the Report as presented by Mr. Jukes! That is all. The scope of the Committee is not extensive. It is not stated that this Committee has got the power and authority to look into the expenses of every part of the administration under the Government, military, civil or anything else. The scope is very restricted. That being so, such a Committee is not at all necessary. If at all the Finance Member gives us a committee, it must be a committee endowed with full powers to investigate into the possibilities of retrenchment in every Department. Not only that, such a Committee ought to have come long ago,—in fact as soon as the Honourable the Finance Member anticipated this heavy deficit, which he must have done long ago,—and he ought to have appointed it long ago so that its Report would have been ready by now.

Now, Sir, the Finance Member has again stated that we cannot expect much retrenchment on the side of the Civil expenditure. He says that out of Rs. 57 crores, the Central Government's share of the expenses is Rs. 16 crores for both the civil services and the establishments and the Provincial Governments' share is Rs. 41 crores, and he says that even out of this 16 crores the civil services account for only 5 crores, and the remainder is accounted for by the establishment charges. Then he says he cannot expect much retrenchment in this direction also. Now. Sir. I submit that as regards establishment charges he has taken establishments as a whole, and pointed out that they include persons who are drawing Rs. 500 per month, and almost suggested that we may not effect any retrenchment under the establishment charges. Now I may suggest to the Honourable Member that he can draw a line at persons drawing about Rs. 200 and make higher grades of establishment available for the Retrenchment Committee to effect retrenchments in. Now, Sir, he wants to justify his position that we should not hope for an appreciable reduction in Civil expenditure because of the sanctity of contract, that is, that the sanctity of contracts binds us not to effect any far-reaching retrenchments in expenses in the civil service administration. Well, when prices went up very high, they clamoured for higher wages and the Lee Commission was appointed. Why was there not an application of the sanctity of contracts then? Did not the services receive substantial increments in emoluments in pursuance of the recommendations of the Lee Commission,-"Lee loot" as the Leader of the Opposition has put it? Did they not get very high wages, high emoluments and high increments in various directions under the Lee Commission proposals? So when the country is reduced to this state, is it right that we should maintain this sanctity of contract even when the country is going to ruin? Should they not contribute something for the country in its difficulties? Certainly a Committee can go into these matters and reduce expenses even in that direction. We have got the example of other countries such as England and Australia, where the Governments have reduced the expenses. So, there is plenty of scope in that direction, but the Honourable the Finance Member has not taken any trouble to reduce the expenses. For these reasons I am glad to support this motion.

The Honourable Sir George Schuster: Sir. I shall endeavour to practise one form of economy anyhow in my reply and that is the economy of words. I feel that Henourable Members have heard a good deal that I have to say on this subject and I do not want to repeat myself too much. I think on the whole we can deal with the main object of this debate

[Sir George Schuster.]

fairly shortly. In the first place, I would like to express my appreciation of the general tone of the speeches, particularly of the two opening speeches by the Honourable the Leader of the Opposition and by the Honourable Member, Sir Abdur Rahim. I interpret those speeches as speeches made by men who do not wish to cause difficulties to the Government but wish to approach the subject in a realistic spirit and to ascertain in actual fact what can be done in these very difficult circumstances. I entirely reciprocate that spirit and, if I may say so, although I myself have been the figure chosen for criticism in a great part of this debate, I listened really with a great deal of appreciation to much that has been said, and I welcome the support which it gives to me. It is not for me to stand up and oppose Honourable Members who are talking about retrenchment. In theory, I am entirely on their side. If I had time I could deal in greater detail with all that has been said in this debate, because I think I might find an effective answer to all these details. trouble is that when you look at the picture as a whole, that picture as a whole is unsatisfactory. But I wish Honourable Members would appreciate that it is very easy to talk about retrenchment in general; it is extraordinarily difficult to carry it out in particular. I have been taken to task for not giving effect to as active a policy as might have been possible. I think Honourable Members do not quite appreciate how much has been done in the way of restricting new demands and cutting down expenditure this year. I think perhaps those Honourable Members who sit here and who have been through the discussions on the Standing Finance Committee can appreciate what are the practical difficulties in that small part of the field of new demands which they see each year, and I think they will agree that so far as they are concerned, no new demands have beer allowed to get through which were not in the circumstances absolutely essential in the sense that they were really in the public interest, even having regard to the extreme financial stringency this year. I would ask Honourable Members to give really close attention to this subject and closely to study how the expenditure has grown and to help me in tackling those parts of the field where the growth really seems not to have been justified. They will find, if they go through the Report, which will be put before them, and indeed they could have found it from the interim Report that I presented at Simla, a great deal of explanation for the growth in expenditure.

I would just like to go over a few of the headings. Now, we have had a good deal of talk about the Posts and Telegraphs Department. Well, Honourable Members have themselves pressed for improvements in the terms of salaries for the members of the Posts and Telegraphs Department. I have not the figures with me to refer to but I believe I am correct in stating that the actual financial significance of improvements in the pay of the subordinates in the Posts and Telegraphs Department effected during the past ten years amounts to something like 1½ crores a year and that sum will probably increase. Then, we have things like the Legislative Assembly Department itself, which has caused a substantial increase in expenditure. We have had the alteration in the general terms of service, that is to say, the introduction of time scales for pay, which have been approved as a matter of policy by the representatives of the public in this House. The operation of the time-scales alone, as I pointed cut in my Budget speech, is committing us to an automatic increase of

about 23 lakhs a year. Then we have the new services which I referred to, like Civil Aviation, which in this year is actually, I think I am correct in saying, costing the Government, with all its attendant services, something like 47 lakhs. Then we have the grants for agricultural research. Government have been taken to task for not doing much in that direction, but, again, that represents a recurring expenditure which is quite new. Then we have the increased grants to the Universities of Aligarh and Benares, which have been strongly supported and approved by this House. And we have also, what I referred to in my Budget speech, an inevitable growth in the expenditure of beneficial services in territories like the North-West Frontier Province. Lastly, I just want to call the attention of Honourable Members to one thing, and that is that a mere comparison of the figures year by year is often by itself misleading. There have been a good many changes in accounting practice by which apparently there has been a growth of expenditure, which is not a real growth of expenditure. Where net amounts previously used to be entered. after deducting recoveries, in many cases gross amounts are now entered in the expenditure and the recoveries are entered on the receipts side. I just want to call attention to a few points like that, because I venture to claim that if Honourable Members would go carefully into the details, they will find that I have not been so idle and inactive as they think. and that the Finance Department has been working effectively to protect the public interest. But there may come a time when the country is faced with a great financial emergency and when all these ordinary methods of keeping tight the purse strings in the practice of normal economy have to be reinforced and something very drastic has to be done. It is when a time like that comes round, that the ordinary operations of the Government may not be adequate and Government may stand in need of support and strengthening from the representatives of the public outside. I think that is particularly the case in India today with our present form of Government, and it is for that reason that I felt that there was some practical value in the appointment of a Retrenchment Committee just now.

Now. I should like to say a word or two about some of the things that I myself have said, because I feel there has been a great deal of misunderstanding about them. I can only come to the conclusion, a conclusion which has often been forced upon me, that very often there is a misunderstanding between us and Honourable Members because we sometimes use phrases and words the exact purport of which opposite, partly really is not correctly appreciated. The point to which I am referring is, that it has been said that, because I myself have said that I do not believe that there is any room for substantial economy in the civil expenditure of the Budget, that because I have said that, my suggestion of a Retrenchment Committee is mere "eye-wash". That is a most unwarranted interpretation of anything that I have said. I was talking generally of retrenchment, and I was trying to explain to Honourable Members opposite that in my opinion, we are now face to face with a very serious crisis in which some fundamental readjustments may be necessary. I was trying to make the point that that fundamental readjustment really involved changes in policy. At the same time, I said, believed that retrenchment in detail was a thing that ought to be pursued, but I wanted to point out that I could not see that any measure of retrenchment in detail, that is to say, economies of the sort referred to in

[Sir George Schuster.]

the suggestions that were made by my Honourable friend the Leader of the Opposition for cutting out minor extravagances, I could not see that any aggregation of cuts of these minor extravagances was going to produce the sort of result which would be sufficient to make a fundamental effect in the situation. It was that I wanted to make clear. At the same time, I think that a study of those minor economies is most important and most necessary and that it is very useful that from time to time we should stand back and review the situation and with outside assistance undertake that study. I hope that that has made the position clear, and now I think really the point before us all is, what is the best thing to do now in the future. I maintain that we have gone as far as we could go in the making of cuts, which would not interfere with the efficient working of the machinery of Government, but I want to satisfy Honourable Members opposite on this, and Honourable Members opposite, I take it, want to be satisfied, and this is where the difficulty comes. Honourable Members say,—I refer particularly to what my Honourable friend Sir Abdur Rahim said in his speech. "You have got to satisfy us that you have done all that is possible to cut down expenditure before we disten to your demands for new taxation". Quite a reasonable attitude, and I am quite prepared to admit that we have got to satisfy this House. But, how are we going to satisfy them? They do not accept our general statements, and that is one of the reasons why I thought that a Retrenchment Committee on the lines which I had proposed, would be of great value. I come before this House and say, "I have done all that is reasonably possible now, but I think that to meet abnormal circumstances something more might possibly be done, and I want to have the support of non-official Benches in further demands for economy. I want to give non-official Members a chance of satisfying themselves that everything has been done, because I quite agree that it is only after they have done that, that they, in the discharge of their public duties, are justified in voting for new taxation.

Diwan Bahadur A. Ramaswami Mudaliar: Am I to understand then, that the Finance Bill will be postponed till the Retrenchment Committee has satisfied itself? (Laughter.)

The Honourable Sir George Schuster: That, I agree, is a pertinent question, but my Honourable friend knows that that is not a practical course. I do venture to suggest this that if the Government come before this House and say, "We are prepared to throw open every door to enquiry by you, come in and satisfy yourselves and cut down expenditure in the course of the year, if you are able to do so", I do suggest that if we are ready to take up that attitude, we will thus be justified in claiming some confidence on the other side that we have got nothing to conceal and that our object here is the same as that of the Honourable Members opposite.

Sir Cowasji Jehangir: May I ask whether we can prune the expenditure on the Army side?

The Honourable Sir George Schuster: My Honourable friend knows perfectly well what I have said about the Army, and I think no one appreciates better than he does what is the real position as regards that. I think every Honourable Member in this House appreciates that, unless the whole constitutional issue is brought in, it is impossible now to make

drastic alterations in the total of the Army Budget. I understand that the whole subject was discussed in London. My Honourable friend opposite knows the circumstances better than I do. I feel sure that he, in those further opportunities which he is going to have, will make that point again and again and that in some way or other, he will see that he and his friends are satisfied that all that is possible, as regards reducing the Army expenditure, will be done. But, I do not think I need stress the point. I am sure I have the agreement of every Honourable Member of this House when I state that really drastic changes in the Army expenditure at the present stage, independently of the constitutional issue, is a practical impossibility.

After those interruptions, I come back again to my main point and that is this, we are genuine in our proposals about the Retrenchment Committee. Honourable Members opposite have viewed it with If, as appears to be the case, they do not want a Retrenchment Committee composed merely of representatives of this Assembly, we are prepared to consider any other form of enquiry which might satisfy them. I should be very glad of an opportunity to discuss the whole subject with Honourable Members representing the various parties privately, because I want to get on with this business. We mean business about it, and I believe we can take certain useful steps which will be not merely of benefit to us but of advantage to the country and of advantage particularly to Honourable Members opposite in enabling them to feel that they are properly discharging their obligations. This whole question of retrenchment wants considering in a business-like way. We have had one or two quite helpful suggestions. My Honourable friend, Sir Hugh Cocke, raised the point that the whole question of accounts and auditing might be considered separately by an expert committee. That is one field of retrenchment. There are many others, and I have a certain feeling of agreement, as a matter of fact, with Honourable Members opposite, in considering that a mere Committee of the Legislative Assembly by itself will not fulfil the purpose to the best advantage. Therefore, what I should suggest is that if the leaders of the various Parties are willing to do so, I should confer with them on this question of the further pursuit of a retrenchment policy and of the setting up of enquiries to consider how that can best be carried out. That, Sir, is I think the only practical answer which I can make to the motion which has been moved today. Speaking as the Finance Member, I have already said that I regard a great many of the speeches that have been made as support to my own arm in the performance of my duty and therefore, I feel in a peculiarly illogical position in having to oppose the motion for retrenchment. I have tried to meet the Honourable Members opposite in the spirit in which I think they themselves were speaking, and I hope, Sir, that I have done something to satisfy them that in the pursuit of the public interest, we, at this moment, are just as keen and just as honest as they are. (Applause.)

Diwan Bahadur T. Rangachar ar: Sir, I am glad that the Finance Member has taken a conciliatory attitude with regard to this cut. At the same time he told us that we would only be arming him with a weapon in carrying on his legitimate functions. I quite recognise that he requires to be armed like that because his military expenditure is even beyond his control, even beyond the Government of India's control. By this means we want the Government of India to press upon His Majesty's Government and upon His Excellency the Commander-in-Chief

[Diwan Bahadur T. Rangachariar.] that, unless there is a radical cut in the military expenditure, and that as soon as possible, the country can never brook the financial burden which it bears. It is for that reason mainly that we press this. We do not want to tinker with the problem and save a few lakhs here and a few lakhs there in the Civil department. The Civil department cannot bear much scrutiny. The Military Department can, apart from the question of policy and of Indianisation, retrench. Extreme extravagance in rates of pay and allowances and all other sorts of things are allowed both in the civil services and in the military services. That should go, and in that we want the Government of India's help by arming them with this vote. Times are changed, prices have come down considerably and we do not think there is any need to continue these extravagant rates of pay and allowances. In fact more than 60 per cent. of the money which is raised from the tax-payers is spent on the pay of the officers and the expenses of establishments. What benefit does the country get? Only a few thousands of the population live on the income of the people, whereas very little is spent on beneficial services. We do not want to stop the beneficial services. We do not want to touch the grant to the Benares University which gets a pittance; we do not want to touch the grant to the Aligarh University which gets a pittance. By all means continue these things, but there are most extravagant things where one could take action. What is the good of this Retrenchment Committee unless we have full power to go into the question of Army expenditure? If it is not for this year, at least for the next year the Government of India will be armed if this motion is carried. Therefore we are anxious that this motion should be carried. Even otherwise, as I have said there are various means of substantially cutting down expenditure. It is absolutely useless to say that you have done this and that, increased the pay of the Postal establishment at our instance. When was that motion made? At a time when prices were high. At a time when prices have gone down, if you ask our help we will give it to you. After all you cannot regulate the pay and allowances for all time to come. It is impossible and unwise to have a fixed pay in these things. Just as we had during the war, rice allowances and grain allowances, we should have continued like that to provide for temporary rises and falls.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Why have you not reduced your daily allowances? (Laughter.)

Diwan Bahadur T. Rangachariar: My Honourab'e friend knows perfectly well what sacrifices non-officials have to make in coming and working here for the good of the country. My Honourable friend calls attention to the daily allowances. What does it signify? Does it signify one-thousandth part of the expenses which we have to incur? Speaking for myself, it is an absolute trifle, and I make a present of that to my Honourable friend.

I will pass over that irrelevant interruption. I do think that this is a matter which is too vital for us to ignore. Sir, I do not want to go into details in this matter. The question is that my Honourable friend has made an offer. He is prepared to satisfy us that he has done his best. But that is not enough. I am not satisfied that he has done enough. I know his difficulties. Unless the whole expenditure is thrown open to us there is no use of a committee. Merely asking us to examine Mr. Jukes's Report or any other Report is absolutely useless. Possibly we may be able to save 5 or 6 lakhs, but that is not what we want. We want to save 6 or 7 erores if possible. We want other means for finding 6 or 7 erores, instead

of allowing taxation to the extent of more than 5 or 6 crores, even having regard to the exigencies of the case. So I press my motion.

Mr. President: The question is:

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

The Assembly divided:

AYES-69.

Abdur Rahim, Sir.
Aggarwal, Mr. Jagan Nath.
Alexander, Mr. W.
Azhar Ali, Mr. Muhammad.
Badi-uz-Zaman, Maulvi. Bagla, Lala Rameshwar Prasad. Bhuput Sing, Mr.
Biswas, Mr. C. C.
Chetty, Mr. R. K. Shanmukham.
Cocke, Sir Hugh. Dudhoria, Mr. Nabakumar Sing. Dutte, Mr. Amar Nath. Fazal Haq Piracha, Shaikh. Fox, Mr. H. B.
Gour, Sir Hari Singh.
Gunjal, Mr. N. R.
Harbans Singh Brar, Sirdar. Hari Raj Swarup, Lala. Heathcote, Mr. L. V. Hoon, Mr. A. Khan, Lt. Nawab Ali Ibrahim Muhammad. Ismail Ali Khan, Kunwar Hajee. Isra. Chaudhri. Jadhav, Mr. B. V. Jehangir, Sir Cowasji. Jha, Pandit Ram Krishna. Jog, Mr. S. G. Krishnamachariar, Raja Bahadur G. Lahiri Chaudhury, Mr. D. K. Mitra, Mr. S. C. Mody, Mr. H. P. Moore, Mr. Arthur. Morgan, Mr. G. Muazzam Sahib Bahadur. Mr. Muhammad.

Acheson, Mr. J. G. Allah Baksh Khan Tiwana, B Bahadur Malik. Ayyangar, Diwan Bahadur V. Khan Bhashyam. Bajpai, Mr. G. S. Banarji, Mr. G. S.
Banarji, Mr. Rajnarayan.
Baum, Mr. E. F.
Boag, Mr. G. T.
Chatterjee, The Revd. J. C.
Crerar, The Honourable Sir James.
Dalal, Dr. R. D. Fazl-i-Husain, The Honourable Khan Bahadur Mian Sir. French, Mr. J. C.
Graham, Sir Lancelot.
Gwynne, Mr. C. W.
Hamilton, Mr. K. B. L.
Hezlett, Mr. J. Jawahar Singh, Sardar Bahadur Sardar.

Bahadur Diwan Mudaliar, Ramaswami. Mujumdar, Sardar G. N. Neogy, Mr. K. C.
Pandit, Rao Bahadur S. R.
Parmanand Devta Sarup, Bhai.
Puri, Mr. B. R.
Puri Mr. Common M. P. Puri, Mr. Goswami M. R. Raghubir Singh, Kunwar. Rajah, Raja Sir Vasudeva. Ranga Iyer, Mr. C. S. Pasarahariar, Diwan Raha Rangachariar, Diwan Bahadur T. Rao, Mr. M. N. Rastogi, Mr. Badri Lal. Reddi, Mr. T. N. Ramakrishna. Roy, Kumar G. R. Sadiq Hasan, Shaikh.
Sant Singh, Sardar.
Sarda, Rai Sahib Harbilas.
Scott, Mr. J. Ramsay.
Sen, Mr. S. C.
Sen, Pandit S. N. Shah Nawaz, Mian Muhammad. Shahani, Mr. S. C. Singh, Kumar Gupteshwar Prasad. Singh, Mr. Gaya Prasad. Sitaramaraju, Mr. B. Sohan Singh, Sirdar. Studd, Mr. E. Sukhraj Rai, Rai Bahadur. Thampan, Mr. K. P. Tun Aung, U.
Uppi Saheb Bahadur, Mr.
Walayatullah, Khan Bahadur H. M.
Yamin Khan, Mr. Muhammad.
Ziauddin Ahmad, Dr.

NOES-

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Khurshed Ahmad Khan, Mr. Macmillan, Mr. A. M.
Montgomery, Mr. H.
Mukherjee, Rai Bahadur S. C.
Parsons, Mr. A. A. L. Rafiuddin Ahmad, Khan Bahadur Maulvi. Rainy, The Honourable Sir George. Rajah, Rao Bahadur M. C. Rau, Mr. H. Shankar.
Roy, Mr. K. C.
Sahi, Mr. Ram Prashad Narayan.
Sams, Mr. H. A. Sarma, Mr. R. S. Schuster, The Honovrable Sir George. Muhammad Khan Gakhar, Captain. Shillidy, Mr. J. A. Tin Tüt, Mr. Young, Mr. G. M.

The motion was adopted.

Mr. President: I should like to ask Honourable Members what their pleasure is with regard to further procedure in connection with Demands for Grants. There are two alternatives before Honourable Members which I should like to tell them before I ascertain what their wishes are. The first alternative is that I should now put the reduced Demand to the vote, and then adjourn the House in order to make it possible to take up the Army cut tomorrow. The other alternative is that we should continue the consideration of this Demand and discuss the other motions for cut of which notice has been received. If the House decides in favour of the latter alternative, then it will not be possible to take up the Army Demand tomorrow. I should like to know what the wishes of the House are in the matter. I will first ask Honourable Members whether they desire that I should now put the reduced Demand under Executive Council to the vote.

Several Honourable Members: Yes.

Mr. President: I take it that that is the general wish?

Several Honourable Members: Yes.

Mr. President: The question is:

"That a reduced sum not exceeding Rs. 90,900 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1932, in respect of the 'Executive Council'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 10th March, 1931.