

19th February 1930

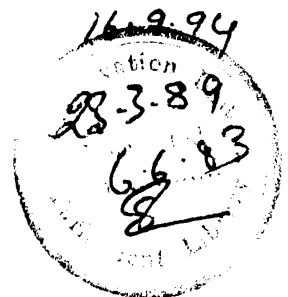
THE
LEGISLATIVE ASSEMBLY DEBATES
(Official Report)

Volume I, 1930

(20th January to 24th February, 1930)

SIXTH SESSION
OF THE
THIRD LEGISLATIVE ASSEMBLY, 1930

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1930

Legislative Assembly.

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THE HONOURABLE MR. V. J. PATEL.

Deputy President :

MAULVI MUHAMMAD YAKUB, M.L.A.

Panel of Chairmen :

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SIR ZULFIQAR ALI KHAN, KT., C.S.I., M.L.A.

Secretary :

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

Assistant of the Secretary :

RAI SAHIB D. DUTT.

Marshal :

CAPTAIN SURAJ SINGH BAHADUR, I.O.M.

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LEGISLATIVE ASSEMBLY.

Wednesday, 19th February, 1930.

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

ELECTION OF MEMBERS TO THE SELECT COMMITTEE ON THE AMENDMENT OF STANDING ORDERS.

Mr. President: I have to inform the Assembly that up to 12 NOON on Tuesday, the 18th February, 1930, the time extended for receiving nominations for the Select Committee on the amendment of Standing Orders, the number of candidates nominated for election is equal to the number required. I therefore announce that the following seven members are declared to be duly elected:

1. The Honourable Sir James Crerar.
 2. The Honourable Sir Brojendra Mitter.
 3. Mr. A. H. Ghuznavi.
 4. Sir Hari Singh Gour.
 5. Sir Darcy Lindsay.
 6. Mr. K. C. Neogy.
 7. Mr. M. S. Aney.
-

THE RAILWAY BUDGET—GENERAL DISCUSSION.

Mr. President: We shall now take up the general discussion of the Railway Budget. I hope that no Honourable Member will exceed 20 minutes in his speech.

Mr. A. H. Ghuznavi (Dacca Division: Muhammadan Rural): I am lucky in catching your eye at the very beginning. Sir, Sir Hugh Cocke, speaking on the 22nd February, 1928, while discussing the Railway Budget, said that sufficient time was not allowed to the Honourable Members to study the huge Budget which the Honourable the Railway Member presents to the Members of this House and he said that it was very difficult for the Honourable Members to digest all those various volumes in about 24 hours' time. With your permission I will just read what Sir Hugh Cocke said:

“There has not been a great deal of time for us to examine the very voluminous figures and statements made in connection with the Railway Budget this year. We had it on Monday morning and here we are on Wednesday morning expected to have learnt it by heart or at any rate to have studied it so thoroughly as to enable us to criticise it.”

[Mr. A. H. Ghuznavi.]

Exactly the same thing has happened this year. We had it on Monday morning and we are here to discuss it on Wednesday morning. He said, however :

"While the Indian Navy was being torpedoed yesterday, I was busily engaged in looking through the figures in connection with the railways."

Similarly we were hurried yesterday passing the supplementary demands which the Honourable the Finance Member presented to us. The difficulty was that, after receiving the Railway Budget, it was hardly possible for any Member of this House to consider all the supplementary demands that were placed before the House, and we had to accept them as a whole without discussing them any further. Therefore, I agree with Sir Hugh Cocke that the time allowed by the Honourable the Railway Member for us to digest the Budget is very short. In this connection, I am reminded of a larger issue, and that is the separation of the Railway finance from the Central finance, which has resulted in the presentation of a separate Railway Budget. This was adopted by a Resolution in the Assembly on the 20th September, 1924. We have now got a separate Budget in pursuance of that Resolution and, therefore, I say that it is very difficult to go through the Railway Budget and also the General Budget that is coming on. It takes us some time to study those figures and when we know that we have again to study the General Budget that is coming before us it makes us very much upset. I would, therefore, suggest that it would be very convenient if the Honourable the Railway Member could present his Budget in the Autumn Session of the Assembly, when the Members have more time for studying it at Simla. The climate of Simla is very good and we will spare the Honourable the Railway Member very many of the criticisms that he will receive in this Session. We know that it is not possible for the Railway Member to do this without the sanction of the Secretary of State. If that is so, I would suggest, Sir, that this aspect of the question may be fully considered before the new constitution is introduced. This separation of Railway finance from General finance is, to my mind, merely on paper. It is not an effective separation at all. Formerly the Government of India had one pocket, or I should say one purse, where they could put in all the money. By this separation they have got two pockets. In one pocket they put in the railway money and in the other the general revenues. Otherwise I do not see how the separation has done any good to the railways as a whole. For all effective purposes it is no separation at all, for the railways cannot raise any loan independently, nor can they work independently. They are interdependent with the Government in their good and bad years, although for no fault of their own. The railways are commercial concerns and must stand on their own legs. If there was real separation, they could go a very long way without any hindrance to their progress. For example, we had recently a very good case to cite, and if the Honourable the Railway Member had not then given way with folded hands to the Honourable the Finance Member, at any rate for this year, the construction of the Dacca-Aricha Railway would have commenced. It is a railway which, according to the Railway Board, has been wanted by the public for over 40 years, a railway which the Railway Board admits would be a paying concern, a railway which will add enormously to the income of the Eastern

Bengal Railway and, in the words of the Honourable the Commerce Member himself, it is a railway the construction of which he "should like to have commenced" himself but, as he said, he is "unable to do so".

Now, Sir, if the separation was real, the Member in Charge of the Railways could at once float a loan on his own securities and go on with the schemes which he should have liked to commence, such as we see in the floatation of loans by the Corporations, the Municipalities, the Port Trusts and similar bodies. Therefore, I say that if the House is of opinion that this separation of Railway finance from the Central finance should continue, then I venture to say it must be real and effective and not merely on paper. The Honourable Member in Charge of Railways should in that case see that, in the new constitution, the separation of Railway finance is effective, and that the railways in India are an independent body, and that the Railway Board is a body of Directors directly responsible to the House, the representatives of the shareholders.

Sir, I have not said the last word about the Dacca-Aricha Railway. I have yet a lot to say and I shall do so when I move my cut. All I wish to say now is that we, the Members from Bengal, will not give peace to the Honourable the Railway Member until he gives us an assurance on the floor of the House that the Dacca-Aricha Railway is a settled fact, and that land acquisition for that line shall commence at once.

Sir, then I come to the next point, which is very important, namely, the question of the State Railways running steamer services between important points. I shall venture to show how Inchcape influence has paralysed the State Railways by preventing them from running steamer services between important points in the railway system. On this point also I shall exhaustively dwell at a later stage

Mr. President: The Honourable Member has only five minutes more; there is no later stage.

Mr. A. H. Ghuznavi: Not today, Sir, but when I shall move my cut. I will try to finish my speech now in five minutes. But, Sir, before I pass on, I must admit that my difficulty in this matter is very great and that difficulty is like that of my Honourable friend the Commerce Member, who is anxious to pay court at the same time to two twin sisters.

Sir Purshotamdas Thakurdas (Indian Merchants' Chamber: Indian Commerce): Court two twin sisters?

Mr. A. H. Ghuznavi: The two sisters are the "State Railways" and "private enterprise". But Sir George may be reminded that marriage with two sisters is not permissible under any law.

Mr. B. Das (Orissa Division: Non-Muhammadan): But the Honourable Member is not yet married!

An Honourable Member: It is not marriage; it is courtship!

Maulvi Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Why not have another Sarda Act?

Mr. A. H. Ghuznavi: And he cannot bestow equal attention on both the sweethearts. Sir, it is there that my difficulty lies. The Honourable Sir George Rainy himself said the other day that he was bound to fight, as a

[Mr. A. H. Ghuznavi.]

Railway Member, like a lion on behalf of the railways, and yet there is the rub. The Incheape steamer companies—the private enterprise—the stronger of the Siamese twins, give him trouble, and if the interests of the steamer companies clash with those of the railways, Sir George Rainy collapses.

There is another matter of public importance, and that is railway accidents entailing loss of human lives. Sir, the Railway Act provides for no inquiry worth the name and I shall take up this matter when my cut is reached and shall then demonstrate exhaustively how railway accidents, entailing loss of human life, require more sifting and satisfactory inquiries.

Then, Sir, there is the question of the larger employment of Muslims on the Railways. I shall demonstrate from facts and figures that nothing has been done up to this time to add to the employment of Mussalmans on the State Railways. I hope I shall be able to demonstrate fully how niggardly the Mussalmans have been treated in the matter of their larger employment on the State Railways.

Sir, there is one more matter and I have done, and that is the stores purchase policy, and particularly the appalling condition of the Stores Department in the East Indian Railway. Sir, at a later stage of the Budget, I shall be able to show to this House that crores of rupees have been lost by the negligence of the East Indian Railway, and that crores of rupees have been locked up giving no return whatsoever for the money that has been locked there.

Sir Purshotamdas Thakurdas: Sir, the Budget presented by the Honourable the Railway Member to this House bears unmistakable proofs of the atmosphere that prevails around us,—I mean unmistakable proof of the condition through which the country is passing. Depression is a word which is not very much appreciated and people want to hear something more cheering, but I doubt if the Honourable Member could present a picture regarding the condition of the country more true than what the hard facts and figures given in the Budget indicate. The financial results of 1928-29 indicate a shortage on the receipts side which was serious, and the final figure of surplus is less than the revised estimate to the extent of very nearly one crore of rupees. The revised estimates of 1929-30 are rupees 4 crores less than the Budget figures, with the result that the contribution to the general revenues which amount to Rs. 6,12,00,000 for that year can be met only by drawing on the reserves to the extent of Rs. 86 lakhs. Since the separation of the Budget, this is the first year, as far as I remember it, when there has been what would be called a deficit in the year's result. The cause of this, if analysed properly and in detail, would be very instructive, but from what the Honourable the Railway Member says in paragraph 5 of his speech, it appears that it is not so much that traffic has fallen off heavily, as that it has failed to expand to the extent it was hoped. This cessation of expansion of traffic is a serious aspect and should be taken into consideration both by the Railway Board and also by this House. We are told that the reduced rates for long distance coal announced last year have acted as a stimulus to the coal trade. I venture to inquire why, in view of this encouraging result of the experiment with the coal trade, the Government of India have not thought of trying reduction of railway rates

for some other commodities. It is admitted that our railway goods tariff is not based on anything like a scientific basis and it is necessary to make an experiment in one or two directions with some agricultural products in order to stimulate traffic. Perhaps the Honourable the Railway Member will tell us why he has not made this his third Budget in succession, a budget of agricultural railway programme, as the previous two Budgets were styled by himself and by the Chief Commissioner of Railways. Why, I inquire, are the agriculturists' interests conveniently put in the background at the slightest sign of depression in trade and commerce, which is reflected in smaller receipts for the railways as a whole? I very strongly feel that the Honourable the Railway Member owes an explanation to this House as to why he does not propose to try, in connection with agricultural produce of this country, the same experiment, which he admits he has been able to try so successfully in connection with coal.

Sir, the Budget for 1930-31 can, to my mind, be regarded as just balanced, and it is likely that, unless conditions improve very markedly from what they are today, there may have to be another call on the Reserve Fund of the railways of India. (Hear, hear.) In the Budget they count on an increasing traffic which will bring in about 2 crores more receipts. I venture to ask whether this is what one would call a conservative figure to rely upon. For in an earlier paragraph in his speech, I think it is paragraph 4, the Honourable Member tells us that, as far as cotton traffic this season is concerned, it has been an early crop, and he would not be surprised if there was a falling off in receipts from movement of cotton in the latter part of this year. I would very much wish the Honourable Member the most complete success in all his various hopes regarding increase in traffic, but I feel, Sir, that if one is to judge from the conditions as they prevail at present, and as they seem to an ordinary man in the street likely to prevail for the next few months, or the major part of the next financial year, I am afraid that the modest sum of rupees 34 lakhs. which it is anticipated may be added to the Reserve Fund, may disappear. I should consider the Honourable Member lucky if he does not have to make another inroad on the Railway Reserve Fund.

Regarding capital expenditure, I note that the decrease in this from the previous years is as much as feasible. I do not wish to criticise any special item in the capital programme for the next year. But I cannot help feeling that, when one looks at some of the extravagantly built railway stations—I do not wish to name any particularly, because there are such stations in most provinces which one sees when one goes across touring round India—we are perhaps paying the penalty for the comparatively grand scale on which some of these stations were laid out. (Hear, hear.) I notice a very pertinent question put, I think by the Honourable the Finance Member at a Public Accounts Committee meeting in connection with rent charged by the Railway Department to the Postal Department for a room in the Lucknow Station. The Lucknow Station is a very fine looking building and I would perhaps congratulate the persons who built it if the Indian taxpayer had not to pay the money, and I were not included among the taxpayer. I find that the Postal Department is paying Rs. 500 for accommodation in the new station, when previously, with a modest railway station, they were paying Rs. 55 a month as rent. The increase strikes one as such that only a Department of the Government of India can bear and no one else. If the Postal Department were run by private enterprise—not

[Sir Purshotamdas Thakurdas.]

that I recommend it in the least—in all probability the man running the business might have said: "No, I will go out of the railway compound and try and see if I cannot get accommodation for a cheaper rent, say Rs. 100 or 200 a month". This is however the sort of arrangement that is entered into between two Departments of the Government, and I name this only for the purpose of bringing out the extravagant ways of the Railway Department and how charges in various Departments of Government tend to increase. As far as the Indian taxpayer is concerned, the interest charges, owing to expenditure on capital works, are very nearly at the point where they are unbearable for him, the taxpayer.

In paragraph 16 of his speech, the Honourable the Railway Member tells us in a few words why we should not expect reductions in rates and fares. He concludes by saying that "our first duty is to ensure the solvency of the railways, and reductions which we should like to make in order to facilitate the movement of traffic must wait the coming of better times". There is no doubt that solvency of the railways of India should be the supreme concern both of the Government of India and of this House. But I wish to inquire whether he does not think that experiments in the nature of "facilitating the movement of traffic"—I take it for granted that the Honourable Member had in mind increased movement of traffic when he said that—I wish to know why such experiment should not be undertaken in other spheres also, in the same manner as was done with the coal trade. Is it, Sir, because the agriculturists' interests are not as vocal and as persistent as the interests of the coal-mine owners of Calcutta, who include a very influential section as this House knows? I fully approve of what was done regarding reductions in rates for coal last year, and as a matter of fact my complaint had always been that the Honourable Member, whilst he notified the reduction in rates to us in March, was unable to put it into force till about four months later; but I do think that the same policy should be tried in the coming year as far as the traffic in agricultural produce is concerned.

Now, Sir, the next item of importance in the Budget speech is in connection with what the Honourable Member proposes to do instead of reducing the rates and fares; and in paragraph 19 he refers to what the Railway Board appears to have done during the year by way of further Indianisation. Let me say, at the very outset, that I appreciate the Honourable the Railway Member having taken a step to meet the requirements of this side of the House as far as Indianisation of the higher services is concerned. I understand, Sir, that the Railway Department have a scheme for apprentices, or rather probationers, as they are called, and about six probationers were taken up in the year 1926 in order to be trained for officers' posts. In the years 1927, 1928 and 1929, they doubled the number of these probationers from 6 to 12, with the result that, in these four years, they picked up in all 42 probationers, and these probationers are undergoing training. We are told that training is necessary for a period of five years. The point, however, about it is this, that when these probationers do come out after the six years' training, the Railway Board unfortunately do not expect to be able to take up all the 12 that may have undergone training successfully during these six years for officers' posts. They are committed only to recruit six at the end of each six years' training, with the result that the other six would be left adrift to find employment elsewhere. It is possible that there may be more

vacancies at every six years' period than the Railway Board anticipate at present; but I feel that, if all the 12 that have been recruited in 1927, 1928 and 1929, are found suitable after the six years' period, the Railway Board should not leave the other six unprovided for. It cannot be said that the Railway Board will, in these years 1932, 1933 and 1934,—I am taking every six year period after recruitment,—have a plethora of Indians in the officers' grade; and whilst one may congratulate the Honourable Member, who has initiated a new scheme of picking up forthwith people who are already qualified for the officers' grade, I do wish to press for full consideration of the question of what is going to happen to the other six recruits who are now undergoing training for being ready in 1933, 1934 and 1935.

Now, Sir, regarding what the Railway Member told us about seven Indians having been taken up immediately to fill the posts of officers, I must say that this move by the Honourable Member is well conceived, and I would like to congratulate him for devising what is sure to be appreciated by this side of the House. But even there, I find that whilst the Railway Board needed eight Indians, they succeeded in recruiting only four Indians in one branch and three in the other, and I understand that a vacancy had to be left unfilled so far as Indian recruitment is concerned, because the Railway Board could not get an Indian of suitable qualifications. And the qualification was that of a trained mechanical engineer. Now, Sir, I am not an expert in these matters, nor do I claim to be a person who knows much about the actual qualifications necessary. But it does strike me as being rather difficult to reconcile myself to it, if I am told that they had to keep a vacancy open because they could not find a trained mechanical engineer up to the standard of the Railway Board's requirements. I mention this more with a view to bringing home to the Honourable Member the spirit of which we are almost becoming impatient, and I hope that he will see that the 75 per cent. Indian recruitment,—although we do not agree with it,—is carried out to the fullest extent, and no vacancy is left under the plea that men with the necessary qualifications are not available.

Now, Sir, the Honourable Member has made some very frank statements regarding racial discrimination, and the results of the inquiries held by one Member of the Railway Board in this connection. I felt as I heard the Honourable Member speaking day before yesterday morning, that, after all, even the Government of India will now be able to reconcile themselves to the idea that, if there were no State management for Railways accepted by the Government of India in 1923, the racial discrimination which did prevail in Company-managed railways would have continued unchecked.

Pandit Hriday Nath Kunzru (Agra Division: Non-Muharamadan Rural): It still prevails.

Sir Purshotsmdas Thakurdas: My friend, Pandit Kunzru, says that it still prevails. If it prevails still, it certainly does not to the same degree. There may still be some nooks and corners left, and to the extent the Honourable the Railway Member has admitted in his speech that racial discrimination did prevail and had to be remedied; we have the Government of India with us that State management and State management alone has succeeded in getting rid of this great evil. I hope, Sir, that in no case will contracts of the various railways which fall due hereafter be renewed under any excuse. I particularly wish in this connection to mention the

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question of the railway line which has called for the greatest notice from this House from time to time, I mean the Bengal and North Western Railway. That Railway is one over which the Railway Board appear to have the least control, and that is one which gives the least facilities to third class passengers, leaving aside the question of Indianisation. On no account should that Railway be left with its present management because it has now been conclusively proved that, on that line, Indians have least justice.

The main concession, Sir, in the Budget, is the improvement of the service conditions of the lowest paid of the railway servants. It is some consolation that, whilst the public get no reductions in rates and fares, at least some servants of the railways in India are likely to be treated as they ought to be treated. I feel that although, as representing the commercial community, I would very much have liked to see reductions in rates and fares, I welcome this new departure which the Honourable Member has indicated in his speech. He said that, if one wishes to criticise the Government of India regarding their having been tardy in connection with this somewhat wholesome recognition, which they now propose to make, one is welcome to do so. But he warned us that, if anybody wished to criticise Mr. Hayman about the work that he has done in the past one year, he would say that that critic was ill-informed. I do not wish to criticise either the Government of India in this connection or the Honourable Member of the Railway Board in this House, Mr. Hayman. I fully believe the Honourable the Railway Member when he said that Mr. Hayman has done a very full year's work since his appointment. But my complaint is the Honourable the Railway Member in his speech says in paragraph 24:

"Now that the first scheme has been passed and the general principles laid down, progress should be much more rapid upon other Railways."

I think, Sir, we are entitled to ask who has passed "the first scheme" and what are "the general principles" laid down. He has not indicated that in his speech, nor do the various small leaflets and publications given to us throw any light on this.

Sir Hugh Cocks (Bombay European): They are not small but large.

Sir Purshotamdas Thakurdas: We are going to have a larger instalment later on and that is why I call these small. The various leaflets, not one of them gives us an idea of what the general principle laid down is, nor what the first scheme which has been passed is like. I note that the Honourable Member has stated that he will try and put this before the Central Advisory Council for Railways. At the moment, until the next elections take place, it is my privilege to sit on that Committee from this House, and whilst I realise the difficulties of the Honourable Member in getting together Members of the two Houses, I venture to ask him whether he is not expecting a little too much from this House if he is expecting us to endorse this policy of his and this principle which, for practical purposes, very few on this side of the House at least are aware of. What is that scheme and what is that general principle which he refers to and which he thinks he has firmly laid down and which would accelerate progress? I find, Sir, that until we know the details of this, it is very difficult for us to say whether we can approve of what he has in his mind or not.

Mr. President: The Honourable Member has exceeded his time limit.

Sir Purshotamdas Thakurdas: I will not be very long. I will take only two or three minutes more. In this connection I want only to put before the House what the Honourable the Chief Commissioner of Railways has said in the Council of State in presenting the Budget. He said:

"What we want is a contented staff, and a staff which, because it is contented, is efficient. At the same time, it is our duty to see, and we propose to see, that no concession is given to demands which are unreasonable. It must be realised that it is the railway user who foots the bill and we have his interests also to consider. We feel sure that no one would wish that the railway servant should not receive a fair wage"—(and every section of the House will re-echo this)—"but it must be a fair wage for a fair day's work."

If this idea underlies the principle which has been accepted, perhaps we will not quarrel with him. But I do want to make it plain that as far as this House is concerned, we do not know of it, nor does the Central Advisory Committee know about this, and until we are fully cognisant of the details of the scheme which he has in mind, I fear that we must say. "We will wait and see what your scheme is".

One word more and I have finished. The Committee of my Chamber wish that attention should be drawn to the comparative extravagance in connection with the concessions which are being given to Anglo-Indians as being *pucca* Europeans under the Lee Commission Report. I have, Sir, a statement supplied by the Railway Board to the Committee of my Chamber from which it appears that 40 Anglo-Indians have been given the benefit of the Lee Concession, and the amount involved must be—we have not got the actual amount—running into fairly large sums. They are distributed well over all the Railways in India and one wonders whether many more of such claims are not coming on. Whilst we do not mind justice being done to people where there is not a fair living wage or where the leave rules, etc., are inadequate, I feel that the Railway Member should give a warning to the Railway Board not to fritter away whatever little amount they may have, in any form of luxuries as have been unjustifiably given by the Lee Commission so far as the Anglo-Indian staff are concerned. (Hear, hear.) We protested against the Lee concessions when they were passed and carried against the vote of this part of the House, and I think that when the Railway finances do not look very rosy, we are justified in warning the Government of India that their policy in this connection, even though justified by the recommendations of a Commission like the Lee Commission, is thoroughly unjustified and is nothing short of extravagance.

Mr. N. C. Kelkar (Bombay Central Division: Non-Muhammadan Rural): Sir, it is somewhat difficult to do justice to what one thinks about the different aspects of the Budget in the space of 15 or 20 minutes. But I would like just to contribute one or two points only to this discussion. The Budget presented by the Honourable Member for Railways is a disappointing document. The disappointment may be as great to himself as it is to us, and the disappointment may also be due in part to causes over which he had no control. But in any case the Budget does not call for congratulations, though it may evoke our sympathy. It reflects the condition of general trade depression which prevails in the country. Flood and famine of course mostly account for this and it is unfortunate that the reduction in fares and freights should result in material reduction in the railway revenue. The loss of 2½ crores in the working of the commercial

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lines is aggravated, as usual, by nearly another 2 crores of loss on the working of the strategic railways. The question naturally arises whether the loss on the strategic lines should any longer be debited to the Railway finance, when Government have decided to run the railways as a commercial concern. (Hear, hear.) One may ask, in all fairness, why the loss on the strategic lines should not be debited to the Military Department, though we know that in the ultimate or marginal accounting of the Indian taxpayer, it is the same whether this loss is debited to the Railway or the Military Department. The point, however, about the scientific adjustment of this loss is that the Military Department would have to bear open responsibility for this increased expenditure in their accounts year by year, and pressure of opinion may be brought upon the Military Department to make a corresponding reduction in their expenditure, now that an attempt is being made to fix that expenditure within definite limits.

Apart from this, the Railway Budget is merely a routine budget. It has practically no features to show. There is no further reduction of fares and freights, nor any special concessions to indigenous trades and industries, nor any material advancement in the convenience offered to the principal client or rather the patron of the railways, the third class passenger. Even in matters of negative reform, such as retrenchment in working expenses and the like, the Budget has got no welcome features to show. We are only meeting with apologies when the Railway Board see that they can be taxed with being at fault. The only good feature of the Budget that I have been able to locate in it is that no ambitious projects of railway construction are being taken in hand during the next year. The time has certainly come to cry a halt in this respect, and the misfortune of lower returns of revenue has been attended at least with this blessing. For the last many years the Railway Department was seized with a kind of fury for railway extension. Dovetailed programmes led to commitments, out of which it was apparently difficult or even unwise to withdraw. I do not say that the public demand for extension of railways has stopped. It is a thing which will perhaps never stop of itself. The man in the interior, who is miles and miles away from a railway line, may even legitimately complain that the blessings of railway construction are unevenly distributed under a single administration. Where is there a village who would not like to see the railway pass by his village, or perhaps even by his own house? It has come to be regarded as a vital artery of economic life, and it must continue to be so till the *reductio ad absurdum* is reached. But Government ought to know better in this respect, and for once sanity seems to have dawned on them, when they can openly advert to the difficulty of obtaining funds for capital expenditure on railways and the folly of incurring debts for breathless railway extension. If they were otherwise minded, they could easily get officers put on special duty who could make elaborate surveys and always present projects promising an alluring return. But on how many projects has this promise been really fulfilled? On'y apologies, with one kind of reason or another have always been offered in explaining away the inevitable disappointment of expectations. The time has, therefore, come as I said before, for crying a halt and taking a survey of the whole situation, and also for making an honest effort at finding out whether, and in how many cases of projects, the principle of profitable commercialism has been really successful.

The inclusion of Railway finance with General finance had no doubt its own faults, but one wonders whether the separation of the two has not already led to financial extravagance, and established an imperial railway autocracy in the form of the Railway Board, who think that their doings should be above cavil or criticism if somehow they make up the fixed contribution to the general revenues. General finance is, after all, more susceptible to the aggregate pressure of the financial burden of the country than the isolated Railway Department can ever be, and this thought naturally leads to the question about the Committee that was appointed last year to reconsider the question of the separation of Railway from General finances. It is certainly suspicious that no meeting of this Committee has been convened during the last twelve months. One would like to know who was really at fault, namely, the Railway Financial Commissioner in not calling a meeting of the Committee, or the members of the Committee themselves neglecting their business.

Well, Sir, I think an inquiry is due into the expenditure incurred during the last few years by the Railway Department on some of its activities, and it is precisely here that the Members of the Legislature, laymen as obviously they are, would like to have greater enlightenment vouchsafed to them in the Explanatory Memorandum of the Railway Budget, or at least in the Annual Report of the Railway Administration. The Railway Board may look upon this act as they like, either as a duty discharged to their masters, the Legislature, or they may even affect to treat it as a sop to the critical curiosity of the Legislature. But more information must in any case be forthcoming by way of giving clues to facts and figures, to enable us to see how far expenditure in certain matters has really justified itself. To make my point clear, I would give only one or two instances. Two years back I asked for a kind of balance sheet showing, on the one hand, the interest charges on the capital amount spent on the Parsik Tunnels near Thana, and on the other hand, savings effected by building that tunnel rather than using the already existing double line for a short distance between the Kalyan Creek and the hill near Parsik station. I thought a balance sheet like that was possible in the case of a project involving, for aught I know, a crore of rupees. I was told in reply that such a balance sheet could not be made, that is to say, specific *per contra* savings could not be shown in respect of time economy, haulage, fuel, wages, overhead charges, etc., etc., to the tune of about six lakhs of rupees, which obviously represent the recurring charges on account of that tunnel.

The same complaint applies to the enormous sums spent in the name of widening certain station yards, and especially raising stupendous blocks of buildings in the name of remodelling of certain stations at least on the Great Indian Peninsula Railway. I can understand special convenience and amenities in the case of the superior grade passengers, but I plead guilty to the charge of not understanding the extravagance which is exhibited in building luxurious halls and saloons and equipping these with costly fittings, furniture and ornamentation. The very quantity of built up space in these new structures is to my mind out of all proportion to the number of persons actually using them. To take the instance only of the Poona Station, which I have occasionally to use, I will make bold to say the balance of even convenience to passengers is certainly an adverse balance. It may be uncharitable to say so, but there is certainly an element of vain gloriousness lurking behind all this extravagance.

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Another instance in my opinion is the electrification of the Great Indian Peninsula Railway up to Igatpuri on the one hand and Poona on the other. Even to a layman like myself, it appears that electrification of railways is justifiable only where there is competition between different railways running side by side, and that too in suburban, not or inter-urban areas over a limited distance. These two conditions certainly obtain up to seven or eight miles from Bombay northwards, for there is certainly a congestion of traffic and the need for a more speedy and frequent service.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): What about the Poona Races?

Mr. N. C. Kelkar: There is competition between the Bombay, Baroda and Central India Railway and the Great Indian Peninsula Railway over this length, and the suburban passengers will surely be benefited by this reform. But beyond that distance no new traffic can be created,—I repeat that, beyond the distance no new traffic can be created—and a gain in point of revenue can only arise from the growth in the volume or the velocity of traffic. But what about the whole length of electrification from Bombay to Poona? For, howsoever ahead one may look, one cannot see how the traffic between Bombay and Poona is going to be proportionately increased, or how the natural development of traffic could not have been dealt with by a steam railway service as before. Passengers between Poona and Bombay will certainly like to reach their destination an hour before the old scheduled time. But surely the railway fares are not going to be increased in proportion to this accelerated service, nor can I see any chance of many more trains being run between these two terminals. And then again there is the question as to in what particularly economically beneficial manner the passengers are going to use the greater leisure they would get by an hour or so? If I remember

12 Noon. aright, the railway management on the occasion of the opening ceremony of the electric railway between Bombay and Poona claimed, with a kind of pride as it were, that this long distance electrification was an unprecedented achievement in the history of railways and that there was done for the first time something for which there was no parallel in the world. But am I not entitled to say that India is perhaps the only place in the world where things like these can be achieved with other people's money? (Laughter.) This at least can be said in favour of Company-managed railways, that they do not allow their management to perform such costly exploits; but here we are having the disadvantages of State proprietorship and State management of railways without all their corresponding advantages. Even in America, electrification is carried out only for short distances and only for services and terminals and for long tunnels and in negotiating steep mountain gradients, and in regions of dense passenger traffic adjacent to large centres of population. But India is a country in which reckless expenditure may be incurred with impunity, and the irony is all the more glaring when we find a State Railway like the Great Indian Peninsula straining at the gnat of expenditure for bettering the conditions of labour employed on it, while it is in other respects swallowing camels. Here I want to raise definitely the question about the absolute darkness in which we have been kept as to the manner in which the amounts allotted last year for this particular purpose have been actually spent. Here is an instance in which we can legitimately complain that adequate detailed information

has not been supplied to us. We have been told in a general manner that so many lakhs have been spent last year and so many will be spent next year in bettering these conditions; but one would like to know in exact detail what has been spent upon increasing the salaries and the wages of the poor subordinates and the railway workmen (*An Honourable Member*: "Mr. Hayman is still working at it!") and what has been or will be spent upon increasing the staff mainly for the purpose of shortening the hours of daily employment, and giving occasional periods of rest, and how much has been or will be spent in actually building quarters for these particular men. Instead of that, the question of the betterment of the conditions of these people is obtruding itself on us wherever possible, and out of all proportion to the legitimate magnitude of its benefit. Detailed information would be similarly welcome in respect of many other topics about which more than any other the Railway Board well know that we really care. But, for want of time, I would only conclude by suggesting that, instead of putting in the hands of the Legislature speculations which fail, explanations which do not convince, boasts which cannot be justified, and apologies that cannot be accepted, the Railway Board would in future kindly put in the form of inset notes or appendices information and more information on some of the topics in which the Assembly takes a vital and lively interest from the point of view of the taxpayer, the trader, the agriculturist, the merchant, the passenger and the son of the soil, who legitimately aspires to have a hand in the working of the railways in all the grades of service from the bottom to the top.

Mr. Vidya Sagar Pandya (Madras: Indian Commerce): Sir, the other day, when the Commerce Member attended a meeting of the Federation of Indian Chambers, he informed us that he was in the throes of the Budget. I thought he had some very remarkable statement and figures in the Budget and I was expecting that we would get some concessions and some reduction in the freights and in other directions. But like the proverbial mountain, he laboured and produced only a mouse. We are told in the Budget Statement that he is in another throes of labour, and that is, that he is trying his best to evolve some scheme for the betterment of the prospects of the lower subordinates in the railway service. I hope his labours in that direction will not be as disappointing as they have been in the presentation of this Budget.

Maulvi Muhammad Yakub: Instead of a mouse he will bring forth a camel!

Mr. Vidya Sagar Pandya: I shall now turn to an important matter which my friend, the Honourable Mr. Ghuznavi, has drawn attention to, and that is that, with reference to the presentation of the Railway Budget, it is generally complained that Members on this side of the House make it a particular habit or hobby to criticise the Government and never come out with any helpful suggestions. Sir, I do not wish to bring any matter before the Assembly if I feel I can get it set right by private conversation with the Members concerned. So, two years ago I went and saw the Secretary in the Finance Department and laid before him certain suggestions regarding the presentation of the General Budget. That gentleman, a very polished and very courteous officer of the Government of India, and a member of the Indian Civil Service, was very kind: he shook hands with me when I went there, and he again shook hands with me when I went out, but sent me out with nothing. I told him that at

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present we were unnecessarily wasting the time of the House in the matter of the presentation of the Budget. Take the Railway and the General Budgets. We are made to come here and waste a whole day simply to listen to the oration of about forty minutes—to the nightingale songs of the Commerce and Finance Members; and every year, or almost every year, either we feel it is our duty to be disappointed, or else the figures are so disappointing that we find that our time is completely wasted. What happens is that, on one side, the Commerce Member reads his long statement of 11 pages containing 28 paragraphs; on the other side, in the other Chamber his Secretary is reading the same thing in 7 pages condensed into 9 paragraphs. What I feel is—I pity even these Members who make these orations. The same thing is given in certain language here and they have to put a great literary strain on their heads to find words to see how they can give the same substance in other words in the other place. I do not see how any useful object is served by making two statements at the same time in two different places.

An Honourable Member: Hold a joint sitting.

Mr. Vidya Sagar Pandya: The rules permit of it, and I suggested to the Secretary that we might have joint sittings, and that there was nothing in the rules against it. Both the Houses might be brought together and a comprehensive statement could be made. Now, in their desire to say something here, and something else there, both the statements are not quite complete. It would be better that we should have one comprehensive statement, giving all the facts and figures plainly, instead of leaving something in this House and something there. Of course in fact the idea is to give as little information as possible to both Houses.

Besides this, I said to that gentleman that, if I was not mistaken, about 20 years ago one Finance Member had started the system of not making a budget oration—he used to have a narrative. I say, Sir, it would be better if these papers were sent to us fifteen days in advance so that we might have ample time to consider them. No doubt the Official Benches have got a large number of Secretaries and armies of clerks behind them, who prepare all these figures, while in our case we have not got all these facilities. We have to sit all the time looking into an enormous mass of papers which come to us in such rapid succession that there is very little interval of time for Honourable Members to go through them and understand and study them. I doubt very much, if we were to throw all these facts and figures on the heads of Official Members, whether they would be in a position to follow them. What I mean is, they should realise our difficulties and give us certain facilities if they really want some healthy criticism from us, non-officials, in the matter.

Now, I do not know whether the suggestion of issuing the Budget Statement to the Members say 15 days in advance will commend itself to the Honourable Member in charge, but what I feel is that, if the one day which is allotted for reading the Railway Budget and another day for reading the General Budget are saved, we can have two more days for the general discussion both of the Railway Budget as well as the General Budget. I understand that the average cost of running this legislative farce comes to about Rs. 3,000 or Rs. 5,000 per day

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Sir, I beg to protest against the use of the word "farce",

Mr. Vidya Sagar Pandya: So if my suggestion is accepted, it will give us more time to read and digest the papers, and the Honourable Members in charge also will be able to get something substantial from this side by way of criticism and comment.

Now, Sir, I should like to come to another point, and that is about the Railway Standing Finance Committee. I should like to have in future, along with the Budget Statement, a statement showing how many of our non-official Members, who are very keen in canvassing to get into the Railway Standing Committees, actually attended the meetings of the Committees, and what amount of work they have done. We all feel, Sir, that we come here for the love of labour, but I am afraid in some cases it has become a love of honour. I have come across some instances in which one Member is a member of three or four Committees like the Railway Standing Finance Committee, the Public Accounts Committee and so many other Committees, and as most of these Committees meet almost at the same time, he sometimes misses most of them and he is not able to do justice to any one of them. I therefore think that we should establish a sort of convention whereby a Member should not if possible be a member of more than one Standing Committee at a time

Mr. B. Das: But that would not apply to Government nominees.

Mr. Vidya Sagar Pandya: It should apply to all. They also stand for the various Committees, and with the solid vote of the Government, they have got a better chance of getting in than we have got on account of our divisions and parties

Lieut.-Colonel H. A. J. Gidney (Nominated: Anglo-Indians): They are nominated.

Mr. Vidya Sagar Pandya: They are nominated, no doubt; but by the joint voting system and with the solid help of Government they succeed in getting into more than one Committee

Mr. K. C. Neogy: You are perfectly right.

Mr. Vidya Sagar Pandya: Now, Sir, we have been furnished with statements about the items which have been passed, but I should like to have a statement of the items which have been rejected. What I mean is this. I want to have a statement of the items which were brought forward by the Government and were not accepted by the Committees, so that we may know if our Standing Committees are merely saying ditto to whatever proposals Government brings forward, or if they are exercising some check on the working, so that we may be in a better position to select our Committees in future.

Then, Sir, I have to make another complaint about the Reports of the Standing Finance Committees. From the copies of the Reports given to us, I find at the back of those Reports the dates on which the Reports of those Committees were printed or published. Some of the Reports were published in December, but they were actually handed to us only this month

Maulvi Muhammad Yakub: Do you mean the Reports of the Railway Accounts Committee?

Mr. Vidya Sagar Pandya: Yes.

Maulvi Muhammad Yakub: There is no Railway Finance Committee.

Mr. Vidya Sagar Pandya: I can show you from the back of some of these Reports the dates on which the Reports were printed. Some of the meetings were held about two months ago, and the Reports of these Standing Committees were given to us in this month, only a few days ago, along with the papers which were given to us for the supplementary Demands for Grants for expenditure. Now, if the Reports of these Committees were supplied to us as and when they were published, immediately after the Committees were over, we would have a better chance to study the papers and we would also be able to devote more time and attention to such matters and be of some help to the Treasury Benches.

An Honourable Member: You get the Reports in time?

Mr. Vidya Sagar Pandya: No, I got some of these Reports quite recently with the Railway Budget papers which were handed to me only a few days ago, and I find, as I stated before, at the back of those Reports that some of them were printed in December and some in January, but they were all handed to us only last week. Of course, some were printed only last week, and we could not expect those Reports to be handed to us so soon, but my complaint is that the Reports of meetings which were held in December and January were handed to us only last week. (*An Honourable Member:* "You are right there").

Then, Sir, my Honourable friend, Mr. Ghuznavi, made a suggestion regarding the presentation of the Budget in the Autumn Session. It is a matter which has been discussed more than once. The statement which was presented to us the other day, and also the speech of the Secretary in the other House say that much depends—about these figures—on a good monsoon. Well, if the time for the presentation of the Budget is altered, and if it is presented after the monsoon is over, I think Honourable Members in charge will be in a better position to give more definite figures than they are able to give us at the present time. I hope the Government will consider this matter seriously and give some serious thought to altering the date of presenting the Budgets, so that they may be able to give more reliable figures instead of giving some figures now and then revising them because, after all, even the revised figures and the other figures are not completely reliable. Everything is explained away by saying that the whole thing is a mere gamble in monsoons. So when we know that the system is bad, I do not see why we should not make an effort to alter the dates of the presentation of the Budgets. In case the Government are not able to do that, it will be better if they prepare the figures only up to 31st December and furnish them in time. So if the Government of India will consider the matter more seriously about altering the dates of the presentation of the Budgets, it will facilitate our work and probably there will be much less criticism on that score.

Now, Sir, so far this is what I have to say to the officials. Now I will turn for a moment to my non-official friends, and that is

Mr. President: Take some other occasion for it.

Maulvi Muhammad Yakub: Accept that suggestion.

Mr. Vidya Sagar Pandya: We all know that the officials have got plenty of time; they have all the information at their disposal; they have also armies of Secretaries and battalions of clerks behind them, and they have

got every facility in these matters, but we, non-officials, labour under certain difficulties, and we have to fight a very well organised enemy which is opposed to us (*An Honourable Member*: 'Enemy?'), and as such, should we not organise ourselves and carry out our opposition in a more organised form and in a more systematic and effective manner?

Maulvi Muhammad Yakub: Join some party.

Mr. Vidya Sagar Pandya: I had suggested this to my non-official friends on more than one occasion, and that is why I am taking the time of the House to draw their particular attention to it, that we should organise ourselves and form a bureau of information, set up a secretariat

Mr. President: This can be said privately.

Mr. Vidya Sagar Pandya: No, Sir; it is very difficult, and that is why I wish to draw more public attention to the matter and if you have no objection, I should like to say a few words about it. (*An Honourable Member*: "Please do so.") If we ask the Government, I think they will be in a position to place at our disposal a set of books to form our Library. We must have our own secretariat. (*An Honourable Member*: "We have got a Library.") Yes, but that Library opens only at 9 A.M. and closes at 5 P.M. and we can do our work only before or after these hours. We are busy all day here attending the House. If our Library is situated in some central place, near, say, the Feroz Shah Road or the Western Hostel, we will be in a better position to consult these books, and for that purpose, if necessary, the Members of the Assembly could, by convention, contribute a fixed sum and organise their secretariat, so that they might offer intelligent and well informed criticism. Parties could be sub-divided into various committees, and different subjects could be allotted to different Members who should be held responsible for each item. If anything is done by the Government Benches on the other side, they should be watched vigilantly and carefully, so that nothing may go unnoticed and unchallenged. Now, as things are, every Member wishes to talk on every subject or item contained in the Budget. Every year, instead of going into all the important heads, only a few heads are taken up, and with the conspiracy of the leaders of the various parties, only half a dozen items are discussed, and the Finance Member also joins in this conspiracy, and on the last day crores of money are voted by the Honourable the President reading these items at a speed of probably 200 or 300 words per minute. I do not see why so many crores of public money should be thrown away like that. As non-official Members, we ought to organise ourselves in such a way that we can present an effective opposition to the Government in such matters. I shall now turn to the Railway Budget.

Mr. President: The Honourable Member's time is up. Sir Hugh Cocks.

Sir Hugh Cocks: The diversions of the Honourable Member (Mr. Pandya) are very interesting, but it did not seem to me that he left time to get down to the details of the Budget very much. I hope, however, he may be able to arrange for the Library here to be open for somewhat longer hours rather than start a new one on the Feroz Shah Road or at any other place which is near the Honourable Member's residence.

Sir, I generally inflict a few remarks on the House on this occasion, and there are always numerous subjects which lend themselves to discussion

[Sir Hugh Cocke.]

Last year, we had a considerable debate on the subject of the new Member of the Railway Board and it is very gratifying to me to hear from the Honourable the Commerce Member that the new appointment has proved very satisfactory and that the problems which were ready and urgent for settlement at his hands in connection with the staff of the railways throughout the country have come forward and been dealt with by him satisfactorily. There is no question whatever that, in a vast network of railways such as we have in India, the staff problems are very numerous and very intricate, particularly in view of the fact that some railways made their own rules in days gone by and now we have reached a stage when everything has got to be assimilated and run on uniform lines. It was a great flaw, I think, in the previous system that one of the Members of the Railway Board, who was supposed to be an expert in traffic or transportation, was occupying a very large amount of his time on labour and staff problems. I am glad to see from the Report that the mechanical part of the railway organisation, repairs and so on, is still progressing and that the costs of repairs on locomotives and carriages are still coming down, which is very largely due, I believe, to the reorganisation of the workshops as a result of the Raven Committee's Report. Few committees have been more beneficial in their tangible results than the Raven Committee has proved to be in connection with the savings in railway workshops. Incidentally in paragraph 8 I do not quite understand why the comparison is made between the figures of November, 1929, and those of the previous quarter. The word "quarter" appears in two places. I should imagine that the comparison would have been made with the previous year. That is a small point. If it is a misprint, it is just as well that it should be corrected.

I come now to the question of the capital expenditure on railways and new projects. It is very disconcerting, and I think very unfortunate, that the course of finance in this country has been such that railway developments have had to be cut down. Of course one has always got to remember in this connection that the extent to which road transport has already been developed for short distances has been very considerable, and to some small extent that may alleviate the pain which is caused by a review of the cutting down of expenditure on new projects in the last few years. I have got three maps in front of me here, which were presented with the Explanatory Memoranda for the last three years. Any one who likes to make a study of these maps may be interested to see the course of the yellow lines, representing lines to be surveyed. Three years ago there was a considerable amount of yellow line. Last year there was a certain amount, but rather less. This year practically all the yellow goes out. With one exception in the north west corner of India, there is no yellow line, and therefore, I suppose, no lines are to be surveyed. I hope the Railway Department is looking ahead. The mere fact that money may not be available at the moment does not seem to me a very adequate reason for not looking ahead and getting on with surveying new lines, so that when money is available they can be pushed forward at a very rapid rate. It is in my view very important that we should go ahead in the future, as we have done in the past, and this curtailment of expenditure is unfortunate, particularly when it happens late in the year. I think it happened twice in 1927 and 1928, and again it has happened this year. It has been suggested that railway debentures could be utilised to raise money, and I should be interested to know what return the Railway Department have got on their new lines in the last five years. When I was

on the Standing Finance Committee for Railways, we had frequently estimates put before us of new lines which were to be undertaken, showing a return of 6 to 7 per cent. and we were then borrowing at about 5 per cent. and there was a satisfactory margin of profit. Are we to understand today that there is no margin between the percentage we can earn on our money expended on the construction of new lines and the rate at which we have got to borrow? If there is any margin at all, even though it be a small one, it does seem to me a great mistake that railway expenditure should be cut down. I know, of course, that there is the difficulty of raising money on satisfactory terms. It is not only the railway position which has got to be borne in mind, but if you raise considerable sums at $5\frac{1}{2}$ per cent. or 6 per cent. it affects the level of all your existing securities and that brings down values in the books of banks and so on, and it makes the position very difficult for such institutions as banks, who have got to write-off very heavy depreciation on their securities. But I do hope that this position will be looked into and it will be frequently reviewed whether it is not possible to raise more money for railways which are likely to be progressive and remunerative. One project in which we in Bombay are particularly interested is the Sind-Bombay connection. References have been made to that frequently in the past, but I still find no yellow line on the map to indicate that any further survey is going to be carried out, and I should like to know whether anything is anticipated in that connection. I know, of course, that in the immediate future expenditure is being cut down, but we are not dealing only with the immediate future today. We are dealing with things that may happen two or three years hence in the matter of capital outlay, and it would be beneficial if some little extension could be made in this map to show what is expected to be done in the course of the next two or three years in connection with railway developments, and not merely confine it to the immediate year in advance.

Sir, we have had the question of the transport of fuel oil frequently before this House, and Sir Purshotamdas Thakurdas today has referred also to the transportation of agricultural produce which he urged should be reduced as often and as much as possible. Fuel oil and agricultural produce go very much together because fuel oil is being used more and more by agriculturists for pumps, engines and agricultural machinery, and I hope that that question of fuel oil will be frequently reviewed by the Railway Board. I think it was pointed out a year ago that the cost of a ton of coal from Jherria to Ahmedabad was about one-fifth of the cost of taking an equivalent amount of fuel oil from Bombay to Ahmedabad, a difference which rather staggers one.

Sir, I think that exhausts my few remarks. There is one little suggestion I should like to make and that is on the Memorandum with which we are presented. In this Memorandum one or two more comparisons might be made with previous years instead of Members having to look up the previous books. I think some of these figures should give results for five years instead of merely the actuals of the previous year, the revised Budget for the current year and the Budget for the coming year. I think in the Memorandum given by the Finance Department we are given many more details enabling a review of the figures for about five years instead of just the immediate previous year. We should also be given certain percentages in connection with the net returns on capital and so on, which I have not been able to find in this particular Memorandum.

Mr. Amar Nath Dutt: Sir, considering the large amount that is involved in this Budget, and considering the time we can get to discuss it during the general discussion, I think I had better follow the dictum of that great American Sage, Ralph Waldo Emerson, which lays down that, so long as our civilization continues to be one of rail roads and steam engines, our wine will burn our mouth. I do not know whether actually the wine of the Honourable the Railway Member burns his mouth, but the representatives of the taxpayers in this House, who are expected to go through reports and pink volumes that are supplied to them within the brief space of twenty-four hours in order to offer an intelligent criticism on the Railway Budget, have to go without any wine whatsoever. It would have been much better if the Honourable the Railway Member had thought it worth his while to accept a Resolution of mine, which I had tabled some years back, but which unfortunately was not balloted. That Resolution was for the abolition of the Railway Board and the establishment of a Famine Board. I see that the Honourable the Railway Member is laughing.

(At this stage Mr. President vacated the Chair, which was taken by Mr. Deputy President.)

Sir, what is laughter to him is death to the 30 crores of people of India. I trust the Honourable the Commerce Member realises that India is mainly an agricultural country where we need the agricultural resources to be better developed and looked after than swift conveyance from one part of the country to another. It may be necessary for our foreign rulers to have means of swift locomotion to shift an army from one place to another to keep the people under their rule, but it does not in any way benefit the masses. When the late Amir Abdur Rahman Khan of Afghanistan who was a very shrewd and wise statesman, and who knew the British rulers of India too well, was requested to have railways in Afghanistan, he replied:

"I do not see the advantage of railroads save and except that they carry a man from one place to another swiftly, but they take away from life one of its greatest pleasures, namely, the pleasures of caravan journey."

What was really in his mind, we do not know, but that was really a very good answer to those who ignore the good of the masses for the convenience of the few. Sir, we need the resources of our agricultural country developed rather than swift conveyance from one part of the country to the other, and the apathy of the Government about the improvement of agriculture and irrigation has brought untold miseries to the masses.

Lieut.-Colonel H. A. J. Gidney: Will you come here in a caravan?

Mr. Amar Nath Dutt: Yes, certainly.

Sir, people who are brought up in the midst of the sordid material civilization of the West, can hardly appreciate what happiness there was, before foreign invasion, in this sacred land of Aryavarta, the main occupation of whose people was agriculture. Whatever that may be, I can only sympathise with my Honourable friend, Mr. Vidya Sagar Pandya, when he speaks of the enormous resources of the Railway Member and the army behind him, one of whom I see laughing. But, Sir, we have to go on with this constitution till we mend it or end it, so I shall try, in the little time that I have at my disposal, to touch upon one or two points of the Railway Budget in the hope of minimising the evils of Government's railway policy.

The first thing that strikes me is the utter indifference shown to the organisations of trade unions of the railway employees. They would have welfare committees of their own, but they would not recognise these unions to the extent we ask them and listen to what these unions have to say to ameliorate the condition of the labourers.

The housing of the low paid staff and menials does not receive the consideration it deserves. There is a curious thing in the two speeches about which my Honourable friend, Mr. Pandya, was so severe, one here and the other in the House of the Elder Statesmen; we find that 25 lakhs has been allotted for the housing of the menial staff in the speech made here, while we find that 51 *plus* 25 lakhs have been allotted according to the speech made elsewhere. We do not know what is really meant. Probably that 51 lakhs is meant for the higher officials. I would request the Railway Board to take a little more humane view of these things and humanise the Board rather than be hard-hearted in these matters.

Sir, remarks have been made about racial discrimination by some Honourable Members. I will not refer to it in detail. Only yesterday I had occasion to go to the New Delhi station and I found the third class carriages overcrowded throughout the train, while I found in one compartment labelled III only three passengers sitting quite comfortably and making themselves merry. Even first class passengers are not so comfortable. It was reserved for European and Anglo-Indian passengers. I ask, how long are we to put up with such humiliation and insult? Will the Honourable the Railway Member at least give us an assurance on this point that, from to-morrow, such things will not be seen in the railways? I can well understand why the Europeans and the Anglo-Indians find a warm corner in the hearts of the Railway Board. The reason is not far to seek. Does it not remind us, Indians, that here are the men who claim to be our trustees and who allow the Indians to be overcrowded in the third class compartments, while they themselves are enjoying themselves and laughing? If the Railway Board are really honest on this point, and if they want to do away with racial discrimination, I hope the Honourable the Commerce Member will see his way to put an end to this humiliation at an early date.

Mr. K. O. Neogy: It is a sartorial discrimination and not racial discrimination.

Mr. Amar Nath Dutt: I know my Honourable friend's speech on that point and every one appreciates that. What hurts us most is that they have one rule for Europeans and Anglo-Indians and another for us, as if we are inferior fellows. We have cried ourselves hoarse over the subject and I do not wish to repeat it.

One other point that I wish to bring to the notice of the Honourable the Commerce Member is about third class return tickets. The first class passengers, who can afford to purchase their tickets twice without any difficulty at the booking office, are given the convenience of a return ticket, while poor third class passengers, who have to undergo great hardship at the third class booking office, are denied this convenience of a return ticket. The first thing that the Honourable the Commerce Member should do is to diminish the overcrowding in the booking offices and to order the introduction of third class return tickets, for after all it is the third class

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passengers who are the main support of the railways. Why should the first and second class passengers have this privilege and not the third class passengers? Even intermediate class passengers are allowed return tickets, while they are totally denied to third class passengers. I do not understand the logic of it.

I have also to draw the attention of the Railway Member to the quality of food that is supplied at the railway stations. We very often hear nowadays about the necessity for the improvement and preservation of the health of Indians. Adulterated food supplied at the railway stations is really undermining the health of Indians. The Railway Administration ought to be ashamed of the adulterated food that is supplied at the railway stations. I know how these vendors are allowed into the railways. I know of a vendor in my own town of Burdwan, which is very famous for its sweets

The Revd. J. C. Chatterjee (Nominated: Indian Christians): Why don't you supply all the Members with sweets?

Mr. Amar Nath Dutt: I shall certainly send them to each and every Member, provided these grievances are redressed. I know a vendor who had to pay Rs. 400 a month in order to get this monopoly to vend refreshments at a station. An honest inquiry will at once prove this. These people, after having to pay an enormous sum for the securing of the monopoly, supply such poisonous things at the station that it is really impossible to take them. Those who are not accustomed to other kinds of catering than the catering of these vendors have necessarily to take their food at the hands of these caterers. Orthodox Hindus like myself can take food only from these caterers at the railway stations. Those who take food at the European refreshment rooms have no knowledge as to how things are getting on so far as these vendors are concerned. It is the levy of these illegal fees that is responsible for making the vendors sell unwholesome food. Will the Honourable the Railway Member kindly inquire into these things and put a stop to them?

As regards Indianisation of the superior services, we find that it is the covenanted men from abroad that fill these positions. I hope that this will cease if the Honourable the Commerce Member really wants to Indianise the services. We find that the higher appointments are generally reserved for Europeans and Anglo-Indians. (*Lieut.-Colonel H. A. J. Gidney*: "No, no.") My friend, Colonel Gidney, says that it is not so. Sir, there has been a consistent demand on the part of several minority communities for proper representation in the various services. I have great sympathy for these minority communities, but if they will kindly look at one minority community, probably the smallest in India, they will find that at every railway station the members of that community are installed as Station Masters and Assistant Station Masters, drawing salaries of three, four or five hundred rupees. Will the Honourable the Home Member (Laughter)—it is a matter for the Home Member also, because it breeds sedition and disaffection, of which he is the person to take note, and the Railway Member has nothing to do with it,—but will the Railway Member point out to me a single instance of an Indian, drawing Rs. 500 as a Station Master? (*An Honourable Member*: "Anglo-Indians are Indians.") Yes, they are Indians by courtesy. Whenever there are

services reserved for Indians and they want to get into them, they become statutory natives of India; for instance the Deputy Superintendents of Police. But for the purpose of those services where Indians are not wanted, they become Europeans. (*Lieut.-Colonel H. A. J. Gidney*: "It is absolutely not true.") It is absolutely true if you will only look at the Civil List of any province, and I can give you instances which it is unnecessary to do.

Then, Sir, one of the suggestions I wish to offer is that the strategic lines should be taken away from the Railway Budget and should be transferred to the military expenditure of the country, because really, in the name of railway expenditure, military expenditure is brought in here and we are hoodwinked about the real military expenditure of our country.

Another fact which the Honourable the Railway Member can find out for himself if he makes inquiries, is that foreigners generally take prospective leases of mines and other things in certain provinces. When they find that there is every prospect of getting a good dividend, they at once get a monopoly of the mines and then we find—I do not know whether they are related to each other as cause and effect—we find a scheme for a railway from the nearest railway station to the place finding a place in the Railway Budget.

Mr. Deputy President: The Honourable Member has now reached the limit of his time.

Mr. Amar Nath Dutt: Sir, our suspicion is that these people have a hand in the framing of the detailed plans and estimates for the next year of construction. Such important lines as the Dacca-Aricha line have been shelved. Another line about which I have been asking questions—I do not find the Financial Commissioner here—for two long years and about which we are told that they will consider it, is the extension of the Bankura Damodar River Railway to the town of Burdwan and Arambagh from Sehara connecting two districts.

Mr. Deputy President: Will the Honourable Member now bring his remarks to a close?

Mr. Amar Nath Dutt: Yes, Sir. I wish they will take note of these two lines and see that they are constructed.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I beg leave to draw the attention of the Assembly to five points this morning, and I will leave the detailed discussion of the Budget till the voting of Demands. The points which I want to raise are, firstly, administration either by a Company or by the State; secondly, the separation of the finance; thirdly, the purchase of the materials; fourthly, the education of the sons of the employees who are posted in the small stations where there are no schools; and fifthly, some kind of supervision of the comforts of the passengers who travel on these railways.

As regards the first point, this question was raised by Sir Austen Chamberlain when he was the Secretary of State for India. He at one time was of opinion that the State should own the railways, but the Companies should administer them. Thanks to the Indian members of the

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India Office, and particularly to Sir Abbas Ali Baig, Sir Austen Chamberlain changed his opinion, and the administration of the railways was handed over to the State. Now I quite appreciate the feelings of Englishmen when they favour the Company administration. They see the efficient administration in their own country and they also see the comparatively inefficient State-management in France. But the circumstances in India are quite different from the circumstances in England. In England principal stations are connected by three or four different lines, and there is strong competition between the different companies. In India, if you go from one place to another, very often you will find that there is one and only one line along which you have to travel. The second thing is that the central administration is not located in the country itself, but the central body is situated 5,000 miles away in London, and they do not appreciate the conveniences of passengers. They do not know what is going on except what is telegraphed to them by the Agent. On account of these two facts, it is essential that the State should own, maintain, and administer the railways of this country. Attention has been drawn to the bad arrangements of the Bengal and North Western Railway. Fortunately or unfortunately that is the only line by which I can approach my constituency, and as I had to travel for several weeks on this line, I have seen with my own eyes the discomforts into which the passengers are thrown. In the shivering cold nights, when rain was pouring, I found third class passengers sitting in the open. There were no eatables to buy and there was no shelter for them. I have seen with my own eyes passengers travelling on the top of the railway train, and I have seen with my own eyes passengers travelling all the way from Allahabad to Chapra on the footsteps of the train. If the Honourable the Railway Member will travel, not in his own saloon, but as an ordinary third class passenger in the Bengal and North Western Railway, he will come back to this Assembly and vote with both hands in favour of the proposition that the contract with this Railway should cease tomorrow.

The second point to which I should like to draw attention is the complete separation of the Railway Budget from the General Budget. I maintain that the Assembly is the Governing Body of all the State Railways. We should have our separate reserves, and we should declare how much money we are able to give to the Finance Member for the general expenditure of the Indian administration. It is not for the Finance Member to extract as much money as he needs from the railway funds and even to draw from its Reserve Fund. The Legislative Assembly ought to determine the amount to be put into the Reserve Fund, and the amount to be handed over to the Finance Member for general expenditure. The Assembly should have the determining voice in deciding the amount to be borrowed for the extension of the railways. Attention has already been drawn to the new schemes, and I would very much like the new schemes to be pushed on as far as possible, and if money is not available in the

1 P.M.

Reserve, we might borrow the money for this particular purpose. The third point which I should like to mention is the system of purchases. Now, the Railway Department is the biggest purchaser on behalf of the Government. I do not know all the details, but my attention was drawn to some of the inside things that happen in the High Commissioner's Office. Of course I do not want to discuss this aspect today. I may have a separate discussion on this particular point later

on, and I would try and induce the Assembly to agree with me that these Advisory Committees ought to be abolished. (Hear, hear.) But today I maintain that the High Commissioner is not the representative of India. He is the representative of Whitehall, and therefore the purchasing committee ought not to be placed in London; it ought to be placed in India. (Hear, hear.) On the question of purchase I want to maintain three principles. The first is that, whoever may be the authority to purchase the material for the railways, that authority or committee should be in India and not in London. The second principle that I should like to maintain is that everything that we require ought to be purchased in India, and I should like to have a certificate from some competent man that those articles which we are purchasing from outside India are the articles which cannot be manufactured or cannot be obtained in this country. This certificate is essential. Whatever we can purchase in this country, we ought to purchase here, and even if we have to bring in large machines, we ought to purchase the parts from outside and fit them here in our own workshops which the Railway Board may open. The third principle which I would like to maintain is that no order ought to be placed in the hands of any firm or any manufacturer unless that firm or manufacturer undertakes to train at least two Indians in his firm in the use and the repairs of the machinery. That is the method which was adopted by Japan, and unless we adopt this method, there will be no hope for our young engineers to get practical training in any European country. The only way in which we can provide practical training is to insist on the firms, from whom we purchase, training at least two of our young men. These young men may be selected by the method which I will discuss later on, but not today. The young men ought to be trained in the use and the repair of the machinery. If this is done, it will be possible for us to go substantially a few steps further and it will be a great gain not only to the Indian revenues but also to the students.

The fourth point which I should like to discuss is about the education of the sons of the railway servants who are posted at small stations where there are no schools. I know that a scheme of this kind is in progress, and I would like to hear from Mr. Hayman or some other Railway Member who is in charge of education, how the scheme is developing. I here repeatedly heard the complaint that the persons posted in small places have great difficulties in providing suitable education for their children. Their salaries are not big enough to enable them to send their children to big towns and defray the expenditure.

Now, the last point which I would like to discuss is with regard to better supervision over the comforts of the passengers. We know there is a law everywhere that if more than three persons sit in an *ekka*, the *ekkawallah* is at once prosecuted. Some people may say that this rule was framed simply because we do not want to do cruelty to animals. But I say, no, this is not the case. The rule is made and enforced for the safety and comforts of the public. The same rule exists in the case of lorries. No lorry is allowed to carry more than a certain number of passengers, and if any lorry takes more than the prescribed number, the lorry driver or conductor is at once prosecuted. The railway trains are bigger lorries, and it is the duty of the State to look after the comforts of their passengers. I would extend the principle of *ekkas* and lorries to the railways. They are all in the same position. No compartment should carry more than the prescribed number. If a certain compartment is labelled

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to carry 12 passengers and if more than 12, say 13 or 14 are thrust into that particular compartment, then some railway man ought to be prosecuted under the law of the country. (Hear, hear.) In this sense the law is defective and there ought to be some provision in the Railway Act under which, if any servant of the Railway tries to thrust more than the prescribed number of passengers in any compartment, he should be liable to punishment by the Court, not by the Railway authority, but by the ordinary Court of the district.

Now the other thing I want to say is this. We are very particular about the comforts of first class and second class passengers. I would like to hear from the representative of the Railway Board whether the first class traffic is a paying concern. I would like to know whether I am correct in saying that the first class traffic is a losing concern, the second class traffic is a losing concern, that the intermediate class traffic just pays its way, and that the third class traffic is really a gain to the railways and it really pays the deficit made by the first and second class traffic. Am I right?

Mr. M. S. Aney (Berar Representative): Yes.

Dr. Ziauddin Ahmad: That being so, it is only natural that we should try to look after the comforts of our highest paying customers. Every business man does so. Our Railway Board is very unbusinesslike. The first and second class persons, who are really the losing customers, are looked after well and the people who are really paying customers are entirely ignored. I think it will pay the Company—I do not speak from the strategic point of view, but I consider it only from the financial and business point of view—it will pay the Railway Board to say respectfully to every first and second class passenger, "We will pay you double your fare if you give up the idea of travelling in the first or second class and travel in the third class". It will be a paying proposition to the railways, if first and second class passengers are induced to accept a fee and consent to travel in the third class.

The other thing is about the comforts in travelling and the comforts about the meals, and the comforts about the waiting rooms for the third class passengers. There I think it is very desirable to have—if I may use the word, borrowing it from finance—special audit of the traffic. We know that it is the principle in accounts that the auditor is always a different person and has no concern whatever with the accountant or the financier. He is independent of them. Now at present the Inspectors who look after the comforts of the passengers are also appointed by the railway people and therefore they do not criticise the actions of their colleagues in their own Department. It is very desirable to establish a new Department altogether—certainly not under the Agent—and I would prefer that this Department may not be under the Railway Member, but it may be directly under the Home Member. (Laughter.) This Department, which I called Audit Department of the traffic, should report any person, whether an Agent or a subordinate officer, who disregards the rules framed for the comfort of the passengers, or thrusts a large number of men in a carriage. If the audit officer finds insufficient light or insufficient latrine accommodation, or insufficient water supply at the railway station or in the carriages, he should be able to draw the attention of the railway

authorities through the civil authorities, *i.e.*, the Collectors and Magistrates, and not through the officers of the Railway Department.

Lieut.-Colonel H. A. J. Gidney: Do you want dyarchy in railways?

Dr. Ziauddin Ahmad: An Honourable Member asks me if I am trying to introduce dyarchy in railway administration. There are certain matters where a kind of dyarchy prevails, for example, the case of audit. The audit department is quite a separate department from the accountants' department. The auditor draws the attention of the proper authorities to the fact that such and such a thing is or is not against the rule. If the audit officer, who looks after the comfort of passengers is placed under the Railway Department, he is not likely to discharge his duties to the passengers satisfactorily. If he carries on his duties independently and enforces the rules incorporated in the Railway Act, under civil administration, he will have better chances to secure the comforts of the passengers.

Pandit Hirday Nath Kunzru: Sir, I should like to refer, in the briefest possible manner, to three points before I deal with the main subjects to which I desire to call the attention of the House today. The first of these three points to which I wish to refer is that relating to the early termination of the contract with the Bengal and North Western Railway. I join the other Honourable Members in pressing on Government to take over this line as soon as possible. Perhaps I am quite as familiar with this line as my Honourable friend Mr. Gaya Prasad Singh who comes from Bihar, and I can honestly testify to the accuracy of all the encomiums that have been showered upon it in this House. I have in my experience known no line that can compare with it in the attention that it pays to the comforts of the passengers.

The second point, Sir, to which I wish to refer, is the case of teachers in Indian railway high schools. I asked the Honourable the Railway Member a question about it the other day, in reply to which I was assured that, as promised last year, provision would be made for enforcing the provincial scales of pay from the 1st April, 1929. I should have liked the Honourable Member either to enlighten us in his speech or to give some information to us in the Explanatory Memorandum with regard to the steps taken by Government to carry out the promise given by them about a year ago. But, apart from this, Sir, I understand that the East Indian Railway is trying, despite the orders of the Railway Board, to introduce a scale of pay different from that which prevails in the provinces. Perhaps, to be more accurate, I should say that an attempt is being made in the United Provinces to go against the express instructions of the Railway Board. I met some time ago a member of the managing committee of a railway high school in the United Provinces, and I was told that the committee had been asked to prepare its estimates on the basis of a scale recommended by the Director of Public Instruction of the United Provinces, but very different from that recommended by the Railway Board itself. I should like to know, Sir, what is the control which the Railway Board exercise over railways subordinate to them if this can happen under their very noses and despite their repeated instructions. I trust, Sir, that this matter will be speedily looked into by the Honourable the Railway Member and that he will see that the spirit of his promise is carried out to the fullest extent at the earliest possible date. Another point which should be considered in this connection, Sir, is with regard to the men to whom the provincial scales are to be applicable. I can understand, Sir, when

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new scales have been laid down, that particular qualifications should be required of future entrants, but I cannot understand the justice of such a demand from men already in the service of the railways. The United Provinces Government, when they reorganised their educational services, made no distinctions between existing men, whatever their qualifications, and I trust that the same principle will be followed by the Railway Department in applying the provincial scales of pay to teachers already employed in railway high schools.

The third point to which I wish to draw attention is that which has already been referred to by my Honourable friend, Dr. Ziauddin Ahmad. I should like to know what the Government have done with regard to the provision of educational facilities for the children of railway employees. The question has been hanging fire for about two years. I drew attention to it last year, and I was told that the matter would be considered in consultation with the Central Advisory Council for Railways. I know that my Honourable friend, Mr. Aney, has taken the keenest interest in this subject, but even he cannot tell me that any definite advance has been made during the last twelve months. All that he has been able to tell me is that, despite his best efforts, no move forward has been made in this connection.

Sir, I should now like to deal with the two main points which it is my purpose to place before the House today. The first point with which I am concerned is the state of the railway finances. In this connection, Sir, I have unfortunately to voice a complaint which was uttered by me last year in this House. It was suggested last year that, in order to facilitate the comparison of figures relating to the income and expenditure of the railways, we should be supplied with estimates of the income and expenditure of lines that are newly constructed. I asked that the accounts for branch lines, which are already prepared in accordance with the instructions of the Railway Board, should be laid before the House. My Honourable friend, Mr. Parsons, said that there would be no objection to that, but I am sorry to note that the information which he promised has not been supplied to the House. Not having, Sir, that information at our disposal which would enable us to institute accurate comparisons, I must take the figures as I find them. I should like to compare the growth of income and expenditure since the separation of Railway finances, but I shall start with the year 1925-26 for the simple reason that the year 1924-25 was an exceptionally good year for the railways, and I do not want to institute a comparison which would be particularly unfavourable to the Railway Board. In 1925-26 the gross traffic receipts amounted to about 98 crores. Now, if we take the corresponding figure for 1930-31, we find that it is a little over Rs. 106 crores. But to this we have to add a sum of about Rs. 60 lakhs, because of the change made in the manner of accounting for higher charges and payments from one railway to another. We thus find that the total revenue for the coming year is expected to be about Rs. 106½ crores; in other words, the increase in revenue, including lines purchased by the State since 1925-26, is about Rs. 8½ crores. Now if we take the figures for expenditure on the same basis, we find that expenditure has grown at a much larger rate. When I refer to expenditure, I mean the working expenses, including depreciation charges, and interest charges. In the year 1925-26 these two items accounted for a little over Rs. 86 lakhs. In the coming year,

making the adjustment I have already pointed out, the expenditure would be about Rs. 98½ crores. That is, the expenditure would show a rise of about 12½ crores. In other words, the growth in expenditure about 9 crores of which is due to interest and depreciation charges and the rest in what may be called the working expenses proper, has outrun the growth in income by about 4 crores. Now, I do not forget the fact, to which attention was drawn by my Honourable friend, Sir George Rainy, in presenting his Budget, that reductions have been made in rates and fares during the last five or six years and which have resulted in a loss of revenue of about 5 crores.

(At this stage Mr. President resumed the Chair.)

Sir, I am perfectly prepared to take this figure into account. But my Honourable friend, Sir George Rainy, will not contend that none of the reductions which have so far been made have borne fruit. I will, however, admit for the present that four crores out of the five have been entirely lost, that is they have not brought about that expansion of traffic and revenue which the Railway Member expected. This shows that the growth in revenue just balances the growth in expenditure.

There is, however, one more circumstance to be accounted for, and that is the provision made for income-tax, I believe for the first time last year, under the pressure of the Finance Department. The figure last year was about 58 lakhs. I do not know what it is this year, but probably it is in the neighbourhood of half a crore. All that we can say therefore is that, as a result of the heavy expenditure incurred by us, we have been able to increase our revenue only by about half a crore.

But this does not give a complete idea of our railway finances. We have also to take into account the provision made for the reduction or avoidance of debt in the General Budget. A large proportion of the provision made for the extinction of the productive debt is on account of money borrowed for the railways. I do not remember the exact figure provided on this account, but I should not be surprised if it were well over Rs. 3 crores. In the second place, we have to take into account the rise in the exchange from 16d. to 18d. I do not wish to go into past controversies, but it is impossible, in considering the present state of our finances, to overlook so important a matter. I have no desire to be like the cuttle-fish, spreading gloom. I do not want to give the House an unduly pessimistic view of our finances, but it would be idle to contend, on a review of the figures that I have just placed before the House, that our position is as sound as we should like it to be.

I should have liked, Sir, to dwell briefly on the growth of our working expenses, and in particular to discuss the figures relating to repairs and maintenance charges, for I could illustrate by reference to them, the point that I wish to impress upon this House with regard to the growth of expenditure but I have no time for it. I will, therefore, conclude this portion of my remarks by saying that, while I do not wish to suggest that the expenditure that we have incurred is wholly unproductive or lost, it is fair to infer, I think, that our capital programme has been proceeded with so rapidly that we have not had time so far to get any return on the capital that we have invested in it. It is time that we went slower and paid more attention to the development of our existing resources. I am particularly glad, therefore, that my Honourable friend,

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the Railway Member, announced in his speech that there would be stricter control of railway expenditure both on the revenue and the capital side, in consultation with the Finance Member in future. The information which he has given us on the subject, however, is exceedingly scrappy and I should like to know what were the points in which the present arrangements were found to be defective and how it is proposed to remove the existing defects. I should also like, in this connection, to know the exact position of my Honourable friend, the Financial Commissioner. Have the reforms that are now to be enforced been accepted by the Government of India under the pressure of the new Finance Member, or are they the result of the suggestions put forward in the past by the Financial Commissioner, who is supposed to be a watch-dog of the Finance Department?

Sir, the state of our railway finances is intimately connected with another topic which is the last one to which I should like to draw the attention of the House and which will entail no little expenditure if the railways are to have a contented body of public workers. It became apparent some time ago that there was a great deal of unrest prevailing among railway employees. Even those of us who are not formally connected with the Railway Department came to know about a year and a half ago that this unrest was assuming an acute form. My Honourable friend, Sir George Rainy, received a memorandum from the General Council of the All-India Railwaymen's Federation on the subject in September or October, 1928, and a deputation waited on him in that connection in May last. My Honourable friend promised an inquiry into the grievances laid before him by this deputation. I think the points were twenty-four in number, and they ranged from such important things as wages and hours of work and security of tenure, to the supply of uniforms and travelling allowances and such other things. Now, I can understand my Honourable friend taking time to look into these things, but in the first place, I fear that the Railway Board did not wake up to the reality of the situation early enough. It might have taken a leaf out of the book of the Posts and Telegraphs Department and tried to deal at an early date with that unrest, which, wisely handled in that Department, has fortunately for us almost completely subsided. In the second place, as in the political, so in the economic sphere, it is impossible for those who have grievances to wait indefinitely for their redress; and if Government wish to have a contented body of workers, they must take account of the changed conditions and try to proceed much faster than they have done in the past. Sir, the failure of the Government so far to satisfy the grievances of the railwaymen has resulted already in a strike. What methods should now be taken to put an end to the present state of things and to restore amity between workers and employers on our railways? It has been suggested by various bodies and also in the public Press that the Government ought to appoint a conciliation board to settle the dispute between the Great Indian Peninsula Railway men and the Government. Now, Sir, the demands put forward by the Great Indian Peninsula Railway men are the demands placed before the Honourable the Railway Member by the deputation of the All-India Railwaymen's Federation in May last. If therefore a settlement is to be arrived at which would pacify all railway men, I do not see that the particular solution recommended in certain quarters will prove of much avail. It may be that a conciliation board will be able to settle the quarrel existing between the Government and

the Great Indian Peninsula Railway men. But the question being a much wider one, Government ought to see that their solution is one which would be accepted by railway men all over India. Besides, Sir, if attempts are made only to settle the dispute which has become acute, an impression might be created on other railways that their grievances would not be listened to unless they too resorted to strikes. On both these grounds, therefore, Sir, I for my part prefer another solution. The Honourable the Railway Member ought to get into touch with the representatives of the body which deals with the grievances of railway workers on behalf of railway men all over India, I mean the All-India Railway Men's Federation, and in consultation with them arrive at a settlement which would be fair to the State and fair to the interests of the employees as well.

The subject, Sir, is an important one, but I cannot go into it at any length on this occasion.

I will only say, Sir, before I sit down, that it must be apparent to the dullest intellect that the times are fast changing. Unless we take the bull by the horns, we may be confronted with a situation which we may find it impossible to deal with with all the resources at our disposal. The Government must take their courage in both hands and approach the problem of workers in this country in the spirit in which His Majesty's Government are today trying to solve the problem of unemployment and its relief in their own country.

The Assembly then adjourned for Lunch till Twenty Minutes to Three of the Clock.

The Assembly re-assembled after Lunch at Twenty Minutes to Three of the Clock, Mr. President in the Chair.

Lieut.-Colonel H. A. J. Gidney: Sir, I enter this discussion with mixed feelings, feelings of pleasure in as much that I feel I can genuinely congratulate the Honourable Member in charge of Railways on presenting the Budget he has done this year, faced as he was with many obstacles and great handicaps—sadness or if I may say, apprehension as far as the future of the Anglo-Indian and domiciled European community on the railways is concerned. Any one who has the honour and privilege of knowing the Honourable Member in charge of Railways will join me in saying that he is one of the most sincere friends of India and a well-wisher of every railway man, be he European, Anglo-Indian or Indian and speaking personally on behalf of my community—I use no idle words but plain language—when I say that we trust in him implicitly for he has always looked after our interests. Handicapped as he has been, he has presented a Budget this year in which he has been able to add 2½ crores to the Reserve Fund, I mean after certain deductions have been made. I am not an accountant nor am I an auditor. I am purely a labour Member representing the needs of about 15 to 17 thousand Anglo-Indians and domiciled Europeans on the railway and the first point I desire to draw attention to is the hobby, or shall I call it the policy, that has been lately inaugurated by the Railway

[Lieut.-Colonel H. A. J. Gidney.]

Board, I would not say since its birth in 1905, but, since the fever of nationalisation of railways has almost overpowered it. I think I can safely date it to 1925. It was in that fateful year the Railway Board purchased three of the biggest railways in India and placed them under State Control, but at the same time they were able to carry on with their new extensions. Since then they have indulged, if I may say so, in a policy of buying second hand furniture, in the shape of second class railways. Within the last two years, they have bought two more railways, the Burma Railway and the Southern Punjab Railway, with an anticipated annual additional revenue of 95 lakhs but, at what cost? The closing down of almost all important new railway constructions and other retrenchments of all senior staff and the discharge of thousands of workmen. Now, Sir, this policy of the Railway Board is open to serious objection. I want to know how they have been able to find the money for the purchase of these railways? By indenting on the Reserve Fund? If so, then the question arises—was the Reserve Fund inaugurated for the purpose of purchasing second hand railways, or was it mainly constituted with the object of helping railways in lean years, to be able to pay their annual dues into General revenues, as also to supply money if needed when new tariffs were introduced. What do we find, Sir? The Railway Board have utilised its Reserve Fund for the purchase of railways. Not content with the railways at present in its keeping, they have added to them, and in doing so, they have increased their responsibilities, their staff, their management, repairs, etc., Would it not have been better to use this money to ameliorate the grievances of their workmen? I think it was Sir Henry Burt, a well-known railway authority, who, when discussing the Indian railway situation a short while ago, described the policy of the Railway Board of purchasing new railways as extravagant expenditure which stood possessed of two main objects. One was the augmenting of its finances, and the other was to speed up Indianisation of the services. I agree with every word that Sir Henry Burt has said, as judged by the policy of the Railway Board today. To my mind it is very doubtful, Sir, whether this purchase of old railways is more beneficial than continuing and completing our new constructions which you have already projected, and others which have been partly laid down. Personally I think the policy of buying old railways is a wrong one. (*An Honourable Member*: "Question.")

Now, Sir, this leads me to my second point and that is the Reserve Fund. We have heard such a lot about this mysterious Railway Reserve Fund. Members have today criticised it. I have no desire to emulate them, but I do desire to point out to the Railway Board that this Reserve Fund has been improperly used. I understand that the major part of it has been used by the general revenues of the Government of India as an advance. Be that as it may, we hear it frequently said that the Railway Administration of this country is a first class going concern, a first class investment, etc., etc. I have not the faintest doubt that they are excellent institutions, but I have my doubts if this policy of purchasing old railways and nationalising them is to our benefit and the wisest course to pursue. You have on the one side of this tragedy a Reserve Fund that has been built up during the past few years owing to good monsoons. Most of this money has been spent in various ways. Then in those years in which a good surplus is shown we have the capitalists and the industrialists demanding a reduction in goods rates. Alongside of them

we have the sentimentalists in this House shouting "reduce third class fares". Why? The President of this year's Federation of Indian Chambers of Commerce has blamed the present fiscal policy for the labour unrest of today. On the other side one hears today the wail of hundreds of thousands of workmen shouting out "we want more pay", "we want more food", "we want more rest" and "we want better houses" and between these two—the capitalist and the workmen—are dangled the money bags of the Reserve Fund. I ask, has not the workman the first claim on any surplus money and would it not be more profitable to use this money to ameliorate his lot rather than to purchase second-hand railways or appease the ever hungry capitalists? I submit, the workman has the first call on surplus money and this is the policy the Railway Board should follow. Speaking personally I know of no body of workmen who today stand in more urgent need of amelioration and more pay than the under paid, under fed and under clad railway workman. I stand today, Sir, a convert to him and his needs and an ardent advocate of his cause. I submit, Sir, that this matter should be seriously considered by the Railway Board and I would suggest to the Railway Member, that each railway should be allowed a certain percentage of its profits annually to be used to ameliorate the lot and the grievances of its workmen.

I now pass on to a very important subject: the question of labour unions. I have been with the Labour Commission a little over four months. Except the South, I have toured almost the whole of India and I have heard the opinions of the Agents of six of the biggest Railways in India with regard to labour unions. Four of these Agents merely tolerate the existence of these unions on their Railways, but are really hostile to them. One Agent (Eastern Bengal Railway) is more sympathetic and willing to co-operate with them, but the one Agent who stands out as the exception to the rest has openly said he is in great sympathy with the railway unions. That officer is the Agent of the Railway, which, I regret to say, Sir Purshotamdas Thakurdas has today decried. I refer to the Bengal Nagpur Railway. The result of this Agent's sympathetic attitude is that the Bengal Nagpur Railway today got its own union consisting of men who elect their own office bearers. There is no official interference. True, it is called a welfare committee, but it operates as a union which is recognised, helped and guided by the railway officers, and the result is that this Railway is one of the happiest railways in India. I can hear some people on the other side murmuring at my remarks and I also see Mr. Das is looking at me with surprise on his face. I know he does not belong to the Advisory Committee of that Railway now and that he does not like it, but let me tell him that the Bengal Nagpur Railway today has a union working in it.

Munshi Iswar Saran (Lucknow Division: Non-Muhammadan Rural): Which railway do you mean?

Lieut.-Colonel H. A. J. Gidney: The Bengal Nagpur Railway.

Munshi Iswar Saran: But Sir Purshotamdas Thakurdas spoke about the Bengal and North-Western Railway.

Lieut.-Colonel H. A. J. Gidney: I am sorry, I apologise to him. I misheard him. Sir, this Railway has lately had some disturbance in its workshops, of a sectional nature, but thanks to the good offices of my friend,

[Lieut.-Colonel H. A. J. Gidney.]

Diwan Chaman Lall, who with officers of the union met the Agent, and the disputes have been amicably settled. I hold up the attitude of the Bengal Nagpur Railway as an object lesson to those die-hard Agents who refuse to recognise them. Sir, the question of railway unions is of great importance to Railways and to India. I can even appreciate certain Agents being hostile to railway unions. I can also realise that the Agent of the East Indian Railway has solid reasons for being hostile to certain railway unions. But, the times have changed and there appears no need for his wholesale hostility today to the railway unions. As a matter of fact, he appeared supremely indifferent to unions judging from certain remarks he made before the Commission. But I say again I can realise his fear of communists controlling his unions, because there is no doubt that he has had grave reasons to suspect certain of his railway unions especially the one at Khagole and to certain extent the Lillooah unions of communistic activities. Now, Sir, while I agree that certain unions have been a danger in the past, I am bound to admit that since those strikes took place many vital changes have happened in Indian railway unions, the chief event being the rupture in the Federation of Indian Railway Unions that took place in Nagpur last year. Out of that rupture a Railway Labour Party has been evolved, led by certain moderate labour leaders, such as Diwan Chaman Lall and Mr. Joshi who have determined to organise and to control railway labour unions on sound constitutional lines entirely devoid of communistic tendencies or principles. I have personally seen evidence of this policy, because I joined Diwan Chaman Lall in a recent movement in which we amicably settled a very important labour dispute on the Bengal Nagpur Railway. These leaders have also recently shown other evidence of moderate views and intentions. Now, Sir, I look upon such conduct as a gesture on the part of these labour leaders, a real, friendly gesture to administer labour unions on constitutional lines. Will the Railway Board respond or not is the question. There are certain railway agents who say they will not tolerate railway unions if they have any outsiders as their leaders. Now, Sir, why is it that railway unions want outside leaders to guide and lead them? Firstly, because the railway workman as a class is not an educated man. Secondly, the educated Indian official or upper subordinate who might be prepared to fill the role of a leader is too frightened to do so. He fears his job, he fears victimization, and I stand here today and openly say that victimization has been practised on labour leaders by certain Railway Agents. The many memoranda presented to the Labour Commission show instances of such victimization, and it is for this reason I say that the gesture given by Diwan Chaman Lall and Mr. Joshi is one that the Railway Board should notice and reciprocate whole-heartedly.

Mr. President: The Honourable Member must now conclude his observations.

Lieut.-Colonel H. A. J. Gidney: It is a gesture that, I think, the Railway Board should follow up in that they should not allow opposing committees to be continued. My suggestion is this. The Railway Board should issue instructions to every Agent to close down his Welfare Committees and to make an honest, serious and sympathetic attempt to open out railway unions and to lead their men on the right lines of trade unionism, so that their unions may be a help to them and be of mutual benefit. I offer this suggestion for the serious consideration of the Railway

Board. Time does not allow me to refer to many more points. I would, however, refer only to one more fact, and that is my sadness amounting to apprehension as far as the future of the Anglo-Indian and domiciled European community on railways is concerned. I shall not be able to deal at length on this very important point because time presses, but, I should like to inform the Railway Board that a most serious condition has arisen on the East Indian Railway, a railway which in my opinion is more discontented and where there is more unrest than any other railway in India. The trouble is the result of the revised rates of pay that have been introduced since 1928. These rates affect every railway employee, be he an Indian, a European or an Anglo-Indian. These rates have been called the co-ordinated rates of pay and are supposed to be a fair mean of the wages earned by both the East Indian and former Oudh and Rohilkund Railways. To my mind this is a wrong conception of facts. A study of the *Bombay Labour Gazette* will show that the difference between the cost of living between the years 1926 and 1928 was 5 per cent. only. But these revised rates of pay in 1928, as contrasted with the rates of pay in 1926, show a reduction in wages in some cases of from 45 to 7 per cent. in the minimum or initial salaries and 50 to 10 per cent. in the maximum salaries. Europeans and Anglo-Indians, who are expected to clothe, feed and maintain themselves as useful members of the Auxiliary Force are expected on the East Indian Railway to join as firemen on Rs. 15 to Rs. 18 a month and as cleaners on Rs. 10 (I have this order with me). A railway ticket collector gets a pay of Rs. 28 a month and he is expected to deport himself similarly. Even an Indian cannot live on that wage. How can the Railway Board expect an Anglo-Indian or a European to live on such a pittance, which is less than what a domestic sweeper gets. I would therefore beg of the Railway Board to reconsider this question of 1928 revised pay. It has caused considerable consternation among the members of all the communities on the East Indian Railway, be they Indians, Europeans or Anglo-Indians. I ask the Railway Board in their own interests and in the interests of the community that has served them so well and loyally to reconsider these rates of pay and to allow the 1926 rates to be reintroduced for the time being. In the meantime appoint a committee to investigate the question, but do not tell your employees, as is often heard, "If you do not like the pay, you can go elsewhere." I know the Honourable Member for the Railways has always given us a square deal in the past and I am confident he will do so again. Before I resume my seat, I again ask the Railway Board to consider the very important services that the Anglo-Indian and domiciled European community has rendered and not to drive it out of railway employment, as these impossible rates invite them to do, for in doing so the Railway Administration in India will be the greater sufferers. I beg of you not to derial a community that has helped your administration to be always railed and kept on the rails no matter what the crisis has been.

Mr. H. P. Mody (Bombay Millowners' Association: Indian Commerce): Sir, the best thing that could be said about the Budget which has been presented to this House is that it is very much what most people expected, and what I have no doubt my Honourable friend the Member for Railways intended it to be, namely, a somewhat cheerless and colourless statement. Now, the great advantage of presenting a gloomy picture of one's finances is that it effectually chokes off all attempts at demanding any measures of relief, or expenditure on items that urgently call for attention. But,

[Mr. H. P. Mody.]

Sir, I am not going to be deterred by the Budget that has been presented from pressing upon the Honourable the Railway Member the desirability of reducing freights on the movement of commodities from one province to another. It is precisely in times like these, when trade and industry

3 P. M. are depressed, that you feel the insistent necessity of reducing freights and helping industries. I should like to remind my Honourable friend that it was in a period of very considerable financial difficulties that the Conservative Government introduced their derating scheme, which was tantamount to making a present of several millions of pounds to the industries in England. If that form of assistance was called for in England with its high burden of taxation, it is much more called for in India at the present moment when trade and industry are in a much worse position than they have been for a very long time. I would like to urge upon the Honourable Member that aspect of the question. I cannot say that the railway reserves are in any way extravagant, but I do say that they are more than adequate to permit of a certain depletion, if it is found that by reduction of freights and rates the reserves have got to be drawn upon. My Honourable friend said with regard to one or two items that reduction in freights has been justified by larger receipts. I would like him precisely at this time of depression to try that experiment a little further and to see if the larger traffic that he would get would not make up for the loss arising from lower rates

In this connection, I should like to press upon Government the desirability of revising their policy and instituting a scientific tariff. It is a matter of notoriety that the railway tariff is a very patchwork sort of thing. I should like to give the House just one instance to illustrate my meaning. A certain mill in Hubli gets its cotton from Nagpur. Well, instead of getting it straight from Nagpur, it finds it paying to first get that cotton from Nagpur to Bombay and then from Bombay to Hubli. Obviously there is something very wrong about an arrangement like this. It seems to me that, with a more scientific tariff, it would be possible to avoid such anomalies. I do not suggest for a moment that you can be strictly accurate in everything, but the railway tariff as it exists at the present moment is something which is far from being scientific. So also with regard to the Railway Act which was passed in 1921 and which has long been crying for reform. The Government has adopted a certain procedure, but I think it is very dilatory, and I do not think the urgency of the reform permits of any delay which could be avoided.

Then, Sir, about the third class passengers. My Honourable friend Dr. Ziauddin Ahmad spoke about their grievances and disabilities, and I think, with a very great deal of the picture that he presented before this House, we must agree. I should like to make just one observation. It has been stated, either in the statement presented by the Honourable the Commerce Member or the Chief Commissioner for Railways that while the traffic has gone up by 8 per cent., the accommodation has gone up by 14 per cent., in the last six years. Now, that undoubtedly is an advance, and I quite recognise the work that has been done. But if one considers the tremendous leeway that has got to be made up in the way of providing comforts and amenities for the third class passengers, who are our best customers, I do not think that enough has been done. (Hear, hear.) Their position is most unsatisfactory, and I think that if Government come forward with proposals for ameliorating it, and if it comes to it that we

have to spend a lot of money in the process, then I am certain that this side of the House, at any rate, will warmly support Government.

Now, Sir, I should like to say a word about the Kalyan power house. I regard it as a most indefensible transaction. (Hear, hear.) But I am not going to dilate upon it at this stage. I think it is spilt milk and we must not weep over it. But I would like the Honourable the Railway Member to consider whether, in view of the fact that power cannot be generated at anything like a figure at which you can obtain it from companies in Bombay, he is not prepared to reconsider the matter, and scrap the building and remove the plant elsewhere where it can be more profitably worked. I am not talking without the book. I have had something to do with the negotiations conducted by my association with the Power companies for reduction in rates, and I am in a position to state that we can now get rates which were not found possible two years ago. I am certain that, if Government reconsider this question and scrap the plant, which has cost them over a crore and fifty lakhs, when it was expected to cost them 97 lakhs, and if they stop manufacturing power at a figure which is very much higher than that at which power could be supplied from companies in Bombay, I say that that would be a real business proposition.

Then, Sir, I should like to say a word about the improvement of service conditions. I think the House is entirely agreed with the Government that that reform is urgently called for. But I should like to associate myself with the observations which fell from my Honourable friend, Sir Purshotamdas Thakurdas, on this question. I think this House is entitled to know on what principle or basis the improvement of service conditions is going to be effected. A vague reference has been made in the Honourable Member's statement to a policy which has been decided upon. Is that policy one of a living wage or a minimum wage, or is it going to be dominated by a consideration of the rates paid in other public departments? These are questions of very considerable importance, the more so as the railway employs a very large force of labour, and anything which affects railway labour affects labour throughout the country. I should like, therefore, to say that, while this House entirely agrees with the Government that the improvement of the conditions of the low paid employees in the railways is urgently called for, I think it is entitled to know the principles on which that improvement is going to be carried out. That, Sir, is all that I have got to say. I quite recognise the very great care which the Honourable the Railway Member has devoted to the Budget, and if he has not come forward with anything very striking, the cause must be found in the circumstances of the day. But I do think that a more courageous policy is called for in the matter of reduction of rates and fares, and at a time when trade and industries are passing through a very grave crisis, I think it is necessary again and again to press that question upon the Honourable the Railway Member.

Mr. B. Das: Sir, my Honourable friend Colonel Gidney, who has recently returned from his labours on the Labour Commission, gave us some of his experiences on that Commission, which he ought to have reserved until the Report of that Commission was published. I now find that, while on that Commission, he dined very often with my Honourable friend, Diwan Chaman Lall, and my Honourable friend, Mr. Joshi, and came in contact with other labour leaders, and he thus wants us to believe that he has become an authority on trade union matters. I think that that is a fallacy which he himself cannot answer. Sir, while my Honourable

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friend, Colonel Gidney, feels very much for the unemployment problem on the East Indian Railway, owing to the policy of the Railway Board to try to Indianise the staff more and more on that Railway, he feels that other railways, which he characterises as second class railways, should be left in the hands of the Company-management. He does not want that the other Company-managed railways should be taken over by the Government lest we should encroach on the preserves of his community. This morning we have been told that in the Bengal and North Western Railway Indians are not given higher posts. That is perhaps the reason why my Honourable friend, Colonel Gidney, wants that the Bengal and North Western Railway and the Madras and Southern Mahratta Railway and the Bengal Nagpur Railway should not be taken over by the State, but that they should be kept as close preserves for the domiciled race of which he claims to be a member.

Sir, the Honourable the Railway Member started with the lamentation that there has been trade depression and hence the depression in the Railway Budget. Sir, I am convinced that the Budget is rather a deficit budget. The other day the Indian merchants and industrialists met in the former Assembly Chamber at Delhi, where the Honourable the Finance Member and the Commerce and Railway Member were present, and there the Federation of Indian Industrialists and Merchants raised a cry that there has been trade depression all over and they wanted certain accommodations and facilities from the Government. The reply we received from the Honourable guests we had there was that 'there is no trade depression.' It seems that the gloomy atmosphere of that old house caught hold of the Honourable the Railway Member at least and made him agree with views expressed there and at last he has presented a very depressing Budget to this House.

Sir, my Honourable friend, Pandit Hirday Nath Kunzru, has already alluded to the alarming state of Railway finance. I find that, while the net income of the railways is almost stationary—less by a crore a year since the Railway finance was separated from the General finance—the working expenses have gone up by 8 to 10 crores per annum. This is very alarming, and this House must take particular note of it. We have got the Railway Standing Finance Committee. They are to be our watch-dogs, but it seems that the Report they submit to the Members of this House is so incomplete, that we cannot get to know what they really do in that Committee. My friend, Mr. Vidya Sagar Pandya, has already alluded to this fact, and I would suggest to the Honourable the Railway Member that, in future, the Railway Standing Finance Committee Reports should be published in the same way as the Public Accounts Committee Reports are published. All discussions should be recorded, and then we can know whether the watch-dogs that we send out to watch over the Managing Directors are really doing the work, or whether they are hood-winked and do not exercise any actual check on the Railway Member or the Financial Commissioner.

Sir, my friend, Colonel Gidney, paid some high compliments to the Honourable the Railway Member, but at the same time hit him in the back for the policy of his administration. I am not one of those who speak sweet words and then hit in the back—I always hit on the front.

Since the Railway finance was separated, one of the points we insisted upon, was that the Agents and the Deputy Agents of various railways should be Indians. It is a matter of humiliation for me to say that up till now no Indian has been made a Railway Agent, and no Indian has even been found fit to be made a Deputy Agent. If this state of things is to continue, I think that we shall have to see whether it would not be better to place the railways once again under the administration of the Finance Member. My Honourable friend, the Railway Member, paid high compliments to my Honourable friend, Mr. Hayman's work during the year. For ourselves on this side, we shall be glad always to see an Indian or a statutory Indian in high service there getting high praises from the Government of India as it is at present constituted; but as long as there is Great Indian Peninsula Railway strike, as long as more than a lakh of people are out of employment and even ejected from their houses at the ukase of the Agent, of course with the approval of my Honourable friend, Mr. Hayman, there, how can we say that there has been an Indian Labour Commissioner inside the Railway Board and he is reflecting the views of the Indians there? It matters to me little whether he is an Indian or a European. But when we demand that Indians should be on the Railway Board, we expect that from their natural birth and from their natural association in India, they will reflect the real Indian viewpoint. As long as my friend, Mr. Hayman, has not solved the problem of this huge strike on the Great Indian Peninsula Railway, I cannot say that he deserves all the compliments which the Railway Member paid to him on behalf of the Government of India.

Sir, the railway deficit is nearly Rs. 4, nay 5 crores. There is a deficit in revenue by Rs. 2½ crores and the working expenses have gone up by two crores. Thus, while the expenses have gone up, the revenue has decreased, and we still find that the capital expenditure on the strategic railways is going on. My Honourable friend, Mr. Kelkar, pointed out that all expenditure on these strategic lines is military expenditure. I entirely endorse that statement. The loss of revenue on the strategic lines is more than a crore and a half, and that should be debited to the military side. Again, we know that the military staff, officers as well as the rank and file, receive special concessions in fares and freights from the Railways. Last year, I put a question in the Simla Session wanting to know what is the total amount of money that is involved in these military concessions. My Honourable friend, Mr. P. R. Rau, said that his Department, with his full staff of accountants, Accountants General and auditors and so many other persons, could not compute the sum. I tried my best with the help of my friends to compute that sum, and I find that it is not less than one crore of rupees. I will stand corrected if my Honourable friend, the Railway Member, can put his whole machinery on to it and compute that figure and tell me that it is less by a few lakhs or more by a few lakhs. But it is a fact that the Military Department today enjoys privileges of one crore of rupees by railway concessions. Why should the taxpayer subsidise the Military Department indirectly in this way? The loss on the strategic lines amounts to one crore and 82 lakhs. All this should be charged to the Military Department. The Honourable the Railway Member happens to be a Member of the Government of India, and I think he should not support his friend, the Commander-in-Chief, or the Army Secretary, and see that this expenditure

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is properly allocated and it must be put in the military side of the General Budget. Sir, these strategic lines I would call the "tragedic" lines, because not only do they bring tragedy to the people through whose territory these lines go, but they are bringing tragedy every day to the Railway finances and the General finances of India. I submit that there should be no further strategic lines, and in that I completely blame the members of the Railway Standing Finance Committee who pass the proposals for these non-commercial lines where the money is ever locked up and no revenue is likely to accrue thereby.

Sir, since we allowed the separation of the Railway finance from the General finance we find that in the name of "efficiency" the policy of Europeanisation has gone on unhampered. The working expenditure on the side of Administration and Agency has gone up tremendously. This sort of thing will not do. I already mentioned that the expenditure has gone up by 8 crores of rupees while the income is almost stationary. If that be so, I would suggest that we should soon appoint a retrenchment committee and see whether we can reduce the general expenditure on the administrative staff of the different railways, including the Railway Board which is not under the control of the Public Service Commission, as regards its recruitments, or under the control of the Finance Member in respect of its internal policy.

Sir, I must say one word about the reduction of fares and freights on the Bengal Nagpur Railway. The Honourable the Railway Member who was connected with my part of the country in the distant past, promised to consider this question this year. Now I find the mismanagement on that Railway does not allow it to reduce the present high rates of freights. The Bengal Nagpur Railway still maintaining the post-war high rates, and everyone who travels on that railway expected that this year there would be some reduction, at least in the third class fares. But that has not happened. Sir, I will deal with this subject again on a subsequent day on the debate for grants.

Sir, I already mentioned that there must soon be a retrenchment committee, to apply the axe to railway expenditure. The Railway Board in its superior position of knowing too much of everything and in its superior isolation from all control of this House, and even that of the Finance Member, do not try to compare their own extravagant expenditure with expenditure on railways in other countries. I ask the Honourable the Railway Member to study how the different railways are being administered in America, Canada, and Japan, and then he will have to do some hard thinking as how to decrease the administrative costs that this Railway Board is incurring so recklessly and which are working such abysmal disaster on the Indian finance.

Maulvi Muhammad Yakub: Sir, at this stage of general discussion on the Railway Budget, I would confine my observations only to a very few remarks of a general character. Sir, at the outset I feel a great deal of satisfaction and delight at the appreciation by the Honourable Member in charge of Railways of the work done by Mr. Hayman as a Member of the Railway Board. All those who have had the privilege of knowing Mr. Hayman for some time knew that he would acquit himself very well as

the first Indian Member of the Railway Board and it is a matter of satisfaction to me that our expectations have been fulfilled. (Hear, hear.)

Sir it is a matter of regret to me that, on account of financial difficulties, it has not been possible for the Railway Board to take up certain important lines and to initiate new projects, and I regret particularly the omission of any allotment for the construction of the Kashipur-Kalagarh Railway. The want of railway communications in certain parts of the Moradabad district, particularly between Moradabad and Thakardowarah entails great hardship upon the people of the district, especially during the rainy season, and I hope and trust that it will soon be found possible to start work on the Kashipur-Kalagarh line.

The railway staff will, I hope, feel greatly relieved by the passing of the Railway Amendment Act, giving effect to the Geneva Convention, as regards the fixing of their duty hours. The hours of duty proposed in the amended Act may not be the same as in Europe and America, but still the measure is to be welcomed as a first step in the right direction. In fact, in a huge country, like India, it would be rather difficult to adopt the system prevailing in Europe and America. I hope and trust that the improvements incorporated by the Honourable Member in charge of the Railways in his Budget speech will soon be given effect to, and the Railway Board will see that the orders issued by it are really given effect to. The chief difficulty is that the Agents and Divisional Superintendents do not care to carry out the orders issued by the Railway Board (Hear, hear) and all the improvements initiated by the Board only remain a paper transaction. I hope the appointment of the Labour Supervisors, under the new amendment of the Railway Act, will tend to solve this difficulty, and I would strongly recommend that those Inspectors should be directly under the supervision and control of the Railway Board and in no way ought they to be subordinate to the Agents or other inferior officers, so that they may have a free hand and fearless mind to supervise and criticise the acts of the Agents and their under-lings.

There is one more point to which I would like to refer at this stage and it is this, that the Crew Department was introduced and established more than three years ago, but the staff employed in this branch is still shown on the temporary basis and is thus deprived of the bonus and Provident Fund facilities and other privileges attached to the permanent service. It is time that a thorough inquiry was made into the working of this system and a final decision arrived at as to the future of its maintenance.

I wish also to associate myself with what has fallen from my Honourable friend, Colonel Gidney, as regards the attitude of the Railway Agents and Divisional Superintendents towards the Railway Unions. I have myself had the privilege of being the President of a Railway Union (Hear, hear) and my Union has, during the last five or six years, tried to work in a constitutional and peaceful manner. We have always condemned unconstitutional manners and strikes. Still we find that the attitude of the Agent of the East Indian Railway is quite hostile and unsympathetic towards this Union. Even the ordinary facilities are not granted to the officers of the Union, and my friend, Colonel Gidney, is perfectly correct and right when he says that the railway servants who take any active or prominent part in this Union are victimised and penalised by their superior

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officers. I hope, Sir, that the Railway Board will take very serious notice of this and will see that the treatment of the Agents and their subordinate officers towards these Unions is sympathetic and appropriate.

I also wish to associate myself with the remarks made by my Honourable friend, Mr. Ghuznavi, about the employment of Mussalmans in the different branches of the railway service. It is really a fact that the orders which are issued by the Railway Board with regard to the employment of Mussalmans are never cared for by those who are in charge of the offices. They are thrown into the waste-paper basket and no effect is ever given to them. From the answers which we received from the Member in charge of Railways in this House, to questions on this matter, it is evident that no effect is given to the orders which are issued by the Railway Board. I would strongly recommend that the Railway Board do insist upon receiving annual statistics, from the different branches of the railways, showing the total number of permanent employments which they give every year and the number which is allotted to the Mussalmans, and if they find that any Department or any Administration has not given sufficient and adequate representation to the Mussalmans in making permanent appointments, the officer concerned should be seriously dealt with. Unless this is done, I am sure that this genuine grievance of the Mussalmans will not be removed. We see that, in order to show the number of Mussalmans on the list, a number of temporary appointments, say for one or two or three months, are given to them and it is shown in the list that, out of so many appointments, so many are given to Mussalmans. But really it is only a camouflage. They are kept temporarily only to show the statistics to the Railway Board, and they are never made permanent. So it is necessary that in the statistics which are invited from the Agents of the Railways, the number of the permanent staff employed should be ascertained, and effect should be given to the orders which are issued in this connection. With these remarks, Sir, I resume my seat.

Munshi Iswar Saran: Sir, I was a Member of the first Assembly which laid at rest, as far as India was concerned, the controversy between the State-managed railway and the Company-managed railway, and I have never ceased rejoicing that, on that occasion, I recorded my vote on the right side, that is, in favour of State-management. One great advantage of State-management, which appeals to a Member of this House, is this. When we bring to the notice of the Railway authorities any grievance connected with a Company-managed railway, the answer is generally given that it will be referred to the Company concerned. But when the Company-managed railway is taken over by the State, the people have at least this satisfaction, that their complaints and grievances will not meet with this cold response. In pursuance, of the policy which was accepted by the Assembly, the Great Indian Peninsula Railway and the East Indian Railway were taken over by the State.

But, Sir, I wish to ask now the Honourable the Railway Member in a very pointed manner, what is the policy that Government are going to adopt in future in regard to the Company-managed railways? At any rate, what is the policy that Government are going to adopt as far as the Assam Bengal Railway and the Bengal and North Western Railway are concerned. I shall show to the House later on that the time has come when a decision will have to be made in regard to these two Railways, and

I therefore ask the Railway Member to tell us what he is going to do. What are the intentions of Government? Sir, the Railway finances have been separated from the General finances; they have got even a Labour Member; they have no justification now for postponing the purchase of these two Railways which I have mentioned.

As regards the Assam Bengal Railway, we find that the contract will determine on the 31st December, 1931, or at the end of any succeeding tenth year, by giving twelve months notice. So, we find that the time has come when Government ought to make up its mind about it. I am, however, more concerned at the present moment with the Bengal and North Western Railway. The original contract was made with the Bengal and North Western Railway on 12th December, 1882, and the notice of purchase must be given on or before the 31st December, 1932. The Bengal and North Western Railway and the Tirhut Railway work conjointly, and the contract with the Tirhut Railway will remain in operation up to the 31st December, 1932. Government ought to make up its mind, and that too very quickly, as regards the Assam Bengal Railway, the Tirhut Railway and the Bengal and North Western Railway.

As regards the Bengal and North Western Railway, there are two ways of looking at the administration of this Railway. There is the people's point of view, and there is the Company's point of view. Let me invite the House first to look at the administration of this Railway from the people's point of view. Take the treatment of the staff. On the 31st March, 1928, the cost of the staff was Rs. 72,82,815; on the 31st March, 1929, the cost of the staff was Rs. 74,71,559. If you compare this rise with the rise in expenditure on staff of other railways, you will find that the rise in the expenditure of the Bengal and North Western Railway is hardly satisfactory. Let me take another point, the question of Indianisation. We find that the number of officers corresponding to gazetted officers on State Railways on the Bengal and North Western Railway on the 1st of April, 1928, stood thus: 64 Europeans, 6 Indians (I am including Anglo-Indians in the expression "Indians") (*Lieut.-Colonel H. A. J. Gidney*: "Thank you.") On the 1st of April, 1929, we find that there were 63 Europeans and 8 Indians including Anglo-Indians. Now, might I, Sir, pause here for a moment and ask the House carefully to mark the way in which this Bengal and North Western Railway is carrying out the policy of Indianisation? Their process is much worse than the eight units scheme! Now, take the question of reduction in the rates and fares. What is the record of this Company in regard to this matter? Sir George Rainy last year told us that certain Company-managed railways followed the State-managed railways in regard to the reduction in the rates and fares. I shall mention the names of a few of such Company-managed railways: the Bombay, Baroda and Central India Railway, the Madras and Southern Mahratta Railway, the South Indian Railway, the Burma Railways, the Bengal Nagpur Railway and the Jodhpur Railway. We have it on the authority of Sir George Rainy that the Bengal and North Western Railway did not follow this lead.

I have spoken, Sir, about expenditure, I have spoken about Indianisation, I have spoken about reduction of rates and fares; I wish to say a word about the conveniences of passengers. I shall ask Sir George Rainy to depute some of his subordinates to look into the proceedings of the old

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supreme Legislative Council, and he will find that even then our representatives in that body were complaining against the Bengal and North Western Railway, and we are complaining still, and if Government do not make up their mind to take over this Railway, we shall continue to complain. If I am not mistaken, the Bihar Council passed a Resolution expressing its dissatisfaction with this Railway. I am not going to trouble the House with my own experiences, though I have unfortunately to travel by this Railway. This Railway reminds one of the good old days when one used to travel by a bullock cart and had to put up with all sorts of inconveniences. I wonder if Sir George Rainy has ever travelled by the Bengal and North Western Railway. But if he has not and if he can afford the time he might well try a journey by that Railway. We will feel delighted; he will have a new experience and a new sensation. He will be able to share our enjoyment, though only for once and for a short time.

Let us now look at the administration from the point of view of the Railway Company itself, and we have got it in the speech of Sir Henry P. Burt, K.C.I.E., C.B.E., who is the Chairman of the Company. I am not going to express any opinion about the homily that Sir Henry Burt has attempted to preach to us about the unrepresentative character of the Indian Trade Unions, about Indian agitators and the responsibility of Parliament. I do not suppose it is worth while crossing swords in political matters with a railway man. This speech was delivered on the 28th January of this year. I have carefully read this speech through and through and to me it appears that Sir Henry Burt is absolutely unconscious of all that is happening in India. There is not a word about Indianisation throughout his speech, not a word about doing anything for third class passengers, or for the matter of that for any passengers, not a word about any reduction in the rates and fares—no, not a word about these methods—but I can quite understand his attitude; he looks at the Railway from the point of view of a business man whose only anxiety is to get as much money out of the concern as he can. Better things do not interest him.

Mr. President: The Honourable Member must now conclude.

Munshi Iswar Saran: I shall say only a few words more. If you will allow me, Sir, I will read out the resolution moved by Sir Henry Burt. It runs as follows:—

"That a final dividend of £7 per cent. and a bonus of £3 per cent. for the six months ended September 30th, 1929, on the ordinary stock of the company, less income-tax, be and the same are hereby declared, making with the *ad interim* dividend of £4 and a bonus of £5 per cent. paid on July 29, 1929, a total dividend of £19 per cent. for the year ended September, 1929."

This Company is giving a dividend of 19 per cent. One can very well understand why there are no reductions, why there are no conveniences. There is an impression that the Directors of this Company have considerable influence in political circles in England. If this Company is not taken over by the State, the Railway Board and the Government must forgive us if we suspect that Government have yielded to the influence of these important and influential people in England. The only way to stop the scandal of this Railway is to purchase it, and I do hope Sir George Rainy will, either today, or during the course of this debate, make a declaration on this point.

Mr. Gaya Prasad Singh (Muzaffarpur *cum* Champaran: Non-Muhammadan): Sir, I should like at the outset to associate myself with those Honourable Members of the House who have complained of the briefness of time which is allowed to this House for a thorough study of the figures contained in the voluminous mass of literature which was handed over to us only day before yesterday. The House was sitting yesterday and we were very busy. Last year also the complaint was made that more time should be allowed to Honourable Members of this House to study the Budget, and to offer intelligent criticisms upon it. This year also the same complaint has been made. It is not fair either to this House or to the Budget itself that we should be called upon to offer our comments on it within such a short space of time. I hope Government will take note of it, and give us more time from next year.

Now, Sir, what is the position which we find in the Budget? In the budget estimates for 1930-31, the total receipts are put down at Rs. 108 crores, a figure which is nearly Rs. 3 crores more than the revised estimates for the current year; and the total expenditure has been estimated at nearly Rs. 100 crores, which is an increase of slightly over Rs. 2 crores on the revised estimates. The final result is a net gain to the railways of nearly Rs. 8 crores, which is about three quarters of a crore more than the revised estimates of the current year. Out of this surplus, Rs. 180 lakhs goes to meet the loss on strategic railways. I shall not pause to criticise the policy underlying this loss, which is met out of the Railway Budget, because I am quite at one with those friends of mine who have said that, strictly speaking, this loss on strategic lines must be put on the Army estimates. Apart from that, I find that a sum of Rs. 574 lakhs is to be paid as contribution to the General revenues, leaving a small balance of only Rs. 84 lakhs to be added to the Reserve Fund.

Now, Sir, considering the financial situation of the railways, we find that much of the useful activities have been cut short. Only Rs. 5 crores, if I remember aright, have been put down for new construction. I should like to say that the most significant omission in the Budget speech of my Honourable friend, the Railway Member, was the absence of all reference to the subject of improving amenities for passengers, especially third class passengers. I am glad to see, however, that this omission has been supplied by the Chief Commissioner of Railways in the course of his speech in the other place. The House will be glad to be assured by the Chief Commissioner of Railways that this subject continues to receive the special attention of the Railway Board and of the Railway Administrations. It has also been frankly admitted by the Honourable Mr. Russell that the most important question is undoubtedly that of overcrowding in third class carriages. I am one of those who have repeatedly brought this question to the notice of the Railway Board and of the Government, and also quoted the sections of the Indian Railway Act—sections 63, 93 and 97—which deal with the subject of overcrowding. Efforts have no doubt been made to cope with this difficulty, but I am afraid the results cannot be yet said to be satisfactory.

Reference has been made, Sir, in the course of this debate by several Honourable Members to the conditions prevailing on the Railway with which I am more intimately concerned, I mean the Bengal and North Western Railway. The House will remember, Sir, that I have been a very unsparing critic of this Railway, and I have never lost an opportunity of

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bringing before the Government of India the shortcomings of this Railway. I am glad to notice that in recent years some improvements have been effected, although much still remains to be done. My Honourable friend, the Railway Member, last year invited definite suggestions from Honourable Members of this House so that he might have an opportunity of considering them, and giving effect to them if thought desirable. Now, Sir, in this connection I should like to bring to his notice one or two points. On the main line on the Bengal and North Western Railway there is a train which runs between Katihar and Lucknow, and the overcrowding in this train is very considerable. Therefore, Sir, it has become absolutely necessary that an additional through train service from Katihar to Lucknow should be provided, and this train should, pass through Muzaffarpur and Hajipur. My reason for making this suggestion is that most of the traffic from North Bihar passes through Muzaffarpur, and if a train is added on to go through the congested area, it will very much relieve the overcrowding in other trains as well as on the main line.

Then again, Sir, on the East Indian Railway there is one train, the 15 Up Express between Howrah and Delhi. In this train I have often noticed absolute insufficiency of second class accommodation. I wrote to the Agent of the East Indian Railway last year about this matter. Even during occasions of Dussehra and other rush seasons the second class accommodation on this train is not at all increased. There are only two compartments, and one of them is sometimes labelled, "Reserved for Ladies", with the result that the other second class compartment is packed to suffocation. I should like my Honourable friend, the Railway Member, kindly to look into these matters, and relieve the congestion in the second class compartments on this train, which has been specially noticed and felt by the travelling public.

Now, Sir, I suggested in 1928 that the amount of free luggage allowance for third and other class passengers should be increased, and I am glad to see that this has now been done. Beside giving a much needed relief to the travelling public, it will free the third class passengers from the harassing attentions of the travelling ticket checkers; and I should like to congratulate the Railway Board for making this concession.

I am sorry to say, Sir, that my Honourable friend, the Railway Member, is not in a position to announce any further reduction in third class fares. This will cause some disappointment, especially when we read in his speech that:

"Our reduced rates for long distance coal announced last year have certainly acted as a stimulus to the coal trade, and the lower fares for third class passengers have been accompanied by a growth in traffic. The passenger mile figure has gone up by 5½ per cent. and the passenger earnings this year are likely to exceed those of the previous year by about two-thirds of a crore."

Now, Sir, on reading this portion of his speech, I was encouraged in expecting that a further reduction in the third class fares was under contemplation. In the Explanatory Memorandum also it is stated:

"The increased traffic which we could have normally hoped for from the stimulus of lower fares has materialised, though not to an extent sufficient to make up the loss on the reduced fares, but we are confident that in the near future we shall see our expectations of an increase of net revenue realised."

Now, Sir, the reductions that took place apply only when a traveller travels more than 50 miles. But the average third class passenger travels less than 50 miles, and I would bring to the notice of the Railway Board that they should consider the desirability of extending this concession to passengers travelling less than 50 miles. This will further stimulate travelling, and bring in additional money to the coffers of the Railway.

Then, Sir, I should like to say a word of commendation for the admirable handling of the enormous Magh Mela traffic in Allahabad which I twice visited, for which the Railway Board and Railway Administrations concerned deserve congratulations. (Applause.) The Kumbh Mela traffic has also added considerably to the income of the Railway, as is borne out by the statement of the Chief Commissioner for Railways. This is what he says:

"It is only owing to our purchase of the Southern Punjab Railway in January last and to the pilgrim traffic to the Kumbh Mela at Allahabad, which seems to have surpassed all past records, that we are able to estimate our traffic receipts from commercial lines at 1,02 crores 86 lakhs, which is 80 lakhs above last years' figures."

Next perhaps to the overcrowding in trains, comes the question of the absence of booking facilities, for which something has undoubtedly been done. Then there is the question of absence of water in third class lavatories. This has been a subject of much complaint on the Bengal and North Western Railway. I suggested to the Agent that, instead of filling the carriage tanks by means of hand pipes, which is a very cumbrous and slow affair, overhead piping might be erected at important junction stations to fill the carriage tanks. This has already been done at Gorakhpur and Sonapur, and I expect this will be done at Muzaffarpur and at other important stations also, and then this difficulty will dwindle down to the vanishing point.

There is only one other point to which I should like to advert here, and that is with regard to the termination of the contract of the Bengal and North Western Railway, to which reference was made by some Honourable Members also. An ordinary meeting of the Company was held in London on the 28th January last, and in that meeting Colonel Izat, the Managing Director, said:

"The competition which has arisen by the introduction of motor services is receiving constant attention, and we are meeting it with some success by increasing the numbers and speed of our trains."

For this relief our thanks are no doubt due to this motor competition! The development of the Railway is necessarily arrested by the uncertainty of its future. Colonel Izat goes on to say:

"So far as our system is concerned, its development is further arrested by the uncertainty surrounding the question as to the Secretary of State's intention in regard to the possible termination of our contract in 1932. In the interests of both parties to the contract, it is hoped that his (i.e., the Secretary of State's) decision will not be delayed until the last moment."

Now this is quite reasonable. 19 per cent. bonus and dividend was paid this year as well as last year, and it is quite reasonable that the Government should disclose at an early date, their intentions as to the future fate of the Bengal and North Western Railway, because so long as their fate is shrouded in uncertainty, the relief which is so much needed cannot be afforded to the travelling public. Whether the Government propose to take this Railway under State-management or not is a point which

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ought to be settled once for all. So far as this House is concerned, it has already recorded its verdict in favour of State management. Now, Sir, some of the points to which the administration of the Bengal Nagpur Railway may look into are the provision of latrines in third class carriages, in sections where such latrines do not at present exist; provision of more intermediate class carriages, and prevention of their use by unauthorised railway servants and their friends, adequate supply of pure and cool drinking water on the trains and on the stations during the hot weather, and the provision of wholesome food for the passengers at stations. This does not exhaust the catalogue of all that the Railway Administration is expected to do, but it must be admitted that improvement has been effected in some directions, and more is expected in the near future. Sir, the conditions of service of the lower paid staff require to be improved.

Mr. President: Order, order. The Honourable Member is exceeding his time.

Mr. Gaya Prasad Singh: Very well, Sir, then I will close my speech.

Mr. Muhammad Yamin Khan (United Provinces: Nominated Non-Official): Sir, I should like

Mr. President: Mr. Yamin Khan will finish in ten minutes, I hope.

Mr. Muhammad Yamin Khan: Very well, Sir, On behalf of the Railway Finance Committee I should like to thank the Honourable the Railway Member for all that he has said about the Standing Finance Committee for Railways. I have to acknowledge on behalf of the Committee the great co-operation which the Committee received at the hands of Mr. P. R. Rau, who was acting as Financial Commissioner. The Finance Committee had also great assistance from Mr. Parsons, who spared no pains in explaining every item, in Calcutta and in Delhi. I am sorry that today our most active member and the greatest critic on that Committee, Pandit Nilakantha Das, is not present owing to his resignation. That is a matter of great regret to me. He took great pains over every item of the Budget and he did not agree to any single item unless he and the members of the Committee were thoroughly satisfied that it was not put up in a haphazard way. Certain members of that Committee have now gone out of the Assembly, but I am glad that another active member in the person of Mr. Aney is present here today. He knew the problems very well and I was expecting that he would get up and say a few words during this debate. I have also to congratulate the Honourable the Railway Member on the Budget which he has presented under the pressure which he could not possibly avoid.

Now, Sir, there are certain points which I want to bring to the notice of the Railway Administration. The first point is about the rates. I brought it up in conversations which was not the proper time. I would suggest that the present heavy duty on petrol should be reduced. Petrol is consumed greatly in this part of the country. We find that it is sold at rupee one per gallon in Calcutta and Bombay, while at Delhi and other places it is sold at Rs. 1-8. This extra 8 annas is too much for the railways to charge. As the consumption of petrol is increasing, it is high time that the rates on petrol should be reduced now. Another point is the

one referred to by my friend, Dr. Ziauddin Ahmad, and that is the purchase of stores. We in the Standing Finance Committee and especially Pandit Nilakantha Das wanted to be sure that nothing was purchased from out of India, which could be got locally, and I think it my duty to enlighten the House that this had not been ignored wherever we found it convenient to deal with this question. Another point is about Indianisation. In the case of every new item put down in the Budget for a new post, we wanted to be satisfied if no Indian was available to fill the post, and only in case an Indian was not available, we agreed to bring a man from outside India.

Another point is this. There has been in the past a great deal of demand on this subject but it has been ignored. I feel that Government should give consideration to this matter now. There is always a heavy pilgrim traffic during the *urs* to Ajmer and Piran Kalyar. There is no reason why there should not be a concession to the people who are travelling to these places. About two lakhs of people go to these two places and there has been a long-standing demand from the Muslim community. You give concessions during the Durga Puja holidays and the Kumbh Mela. I may mention that some members of the Standing Finance Committee were invited by the Agent of the East Indian Railway at Lucknow to discuss certain arrangements about the Kumbh Mela. We brought to the notice of the Agent at the time that there should be a concession. There was a promise that we would be called again, but we were not called. We had no other opportunity to press that point, before the Agent of the East Indian Railway. I equally think that, on occasions when there are big fairs, there ought to be certain reductions in the fares and a concession should be allowed for the return journey. When you do give a concession to holiday makers, there is no reason why you should not give this concession so that there may be facilities for those people who may travel by train.

Another point which I should like to bring to the notice of the Railway Member is this. Although I know that there has been a very limited amount of money available for the capital expenditure, and many important works have been cut out, still I think that there is a very important railway line for which there has been a continuous demand in the United Provinces. Addresses have been presented to the Governors of the United Provinces on several occasions and promises have been made that full consideration will be given to this demand. Sir, last year I noticed that certain steps had been taken in that direction, but I am sorry to find that they have been abandoned this year altogether for want of funds. Sir, the line I am referring to is the one which was intended to run from Luxur to Mainpuri, going *via* Muzaffarnagar, Garhmuktesar, Dibai, Kasganj, Etah and other places. Now, Etah and Mainpuri are the districts which are cut off a great deal from the railway and even the headquarters of the Etah district are lying about 20 miles away from the railway line. There has been a continuous demand for this line, and I remember the time when an address was presented to Sir William Marris, the then Governor of the United Provinces, in which great stress was laid by the residents of the Etah district and also of the Mainpuri district on the construction of this line. A very sympathetic reply was given to this address, and I was pleased to find last year that this programme was included in the Budget. It was however a great disappointment to me to find that this year it has been absolutely cut off and no further steps are going to be

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taken for the construction of this line. As the Railway Board has now adopted a policy of triennial programmes, there is no likelihood of this work being taken up even in the coming year. I hope that the Railway Board will find it possible to spend some money on this line next year if not in the coming year.

The Honourable Sir George Rainy (Member for Commerce and Railways): Sir, on the last occasion when I replied to the general discussion on the Railway Budget, I think it was Pandit Nilakantha Das who accused me of killing two birds with one stone. This year a much more serious charge has been brought against me of having married two twin sisters.

Several Honourable Members: You have been charged with courting and flirting, and not marriage.

The Honourable Sir George Rainy: Then I misunderstood the Honourable Member who used that remark.

Now, this debate today has covered a good deal of ground and a great variety of topics have been noticed, and it will not be possible for me to deal with every point that has been raised. In particular, I do not propose today to discuss those points which must almost certainly be brought up, in one way or the other when the motions for Demands for Grants are discussed. It is more convenient that they should be taken up when the particular Demand to which they relate is under discussion. My Honourable friend, Sir Purshotamdas Thakurdas, expressed the view that our estimate of the gross traffic receipts for next year was somewhat oversanguine and he was very doubtful whether it would be realised. It is true that we have only limited means of estimating what our railway traffic is going to be, for so much depends upon the monsoon, but I am not disposed to take too pessimistic a view of the prospects of the railway revenues. We have had our good years and we must expect also to have our bad years. And I am not very much disturbed if we have to draw upon our reserves for a year or two, because, after all, the reserves are established precisely for that reason, so that we could tide over the bad years without too much anxiety. Then, another point which was raised by my Honourable friend was his disappointment that we had not been able to see our way to make a reduction in the rates for agricultural produce. Other speakers referred to reductions in third class passenger fares and in the rates for fuel oil and petrol. Again, my Honourable friend, Mr. Mody, said that he was sure the House would agree to substantial expenditure in order to improve the lot of the third class passenger. In addition to all these as we all recognise, money will have to be spent on improving service conditions. Now, we have not got an unlimited purse, and ultimately the money we spend has to be paid for by the railway passenger and the merchant who sends his goods. We shall be deceiving ourselves if we try to think that all these things can be done simultaneously. Personally, I am quite sure that, in the present year, we had no alternative but to hold our hand not to make any alteration of rates because we must, before we could face any further loss of revenue, have a much more clear and exact idea of what the improvement in service conditions may cost us.

I think there was some slight misunderstanding as to what I actually said at one point in my speech in introducing the Budget, as far as coal rates were concerned. I said that the reduction of the long distance rate had acted as a stimulus to traffic. It would not have been correct if I had said that, so far, we had got back the revenue we gave up. That is still to come. The only case in which, so far as I know, taking into account the reductions made in the last two or three years, we have got an actual increase of revenue is the third class passenger fares. We cannot, therefore, be too confident that we should be able to get back within any short period, the revenue we might give up if we made further reductions of rates. Perhaps I might mention, with reference to what fell from Mr. Yamin Khan, that the petrol rate was brought down only two years ago and I think it would be premature to consider any further reduction yet.

Another point that was taken up by more than one speaker, and particularly by my Honourable friend, Sir Purshotamdas Thakurdas, when he discussed the cutting down of the capital programme, was that too much money had been spent on constructing extravagant stations. I should like to draw attention to certain figures which I think might materially alter the view that the House were inclined to take. The remodelling of the Nagpur Station cost 96 lakhs, out of which sum, only 4 lakhs was spent on the station building. Therefore, it is quite evident that the high cost of remodelling is not due to the building. At Lucknow the cost of the station building was from 10 to 12½ lakhs out of 63 lakhs. These are approximate figures. The cost of the Balasore Road Station was 11½ lakhs out of 139 lakhs, the cost of Victoria Terminus, 11 lakhs out of 88 lakhs. I think these figures are worth giving because, while I should always be ready to inquire whether it was not possible to reduce the cost of station building when we build a new station, it does not seem to me that these figures justify the charge of extravagance.

Another point which my Honourable friend, Sir Purshotamdas Thakurdas, mentioned was Indianisation in the Transportation (Power) and Mechanical Engineering Departments. He pointed out that we were putting under training under the apprenticeship scheme 12 men every year, though we are not likely to have, on the State-managed railways, appointments for more than six only annually. These figures are correct, I believe, but if we find that we can only take, in the State-managed railways half the number of men who qualify, we should not hesitate to urge strongly on the Company-managed railways the claims of those who did not obtain appointments from us but who had nevertheless been pronounced suitable for appointment. I have not much apprehension that there would be real difficulty about that.

My Honourable friend asked for some explanation of the scheme for the improvement of the pay of the lowest paid staff on the Eastern Bengal Railway, both as to the scheme itself and as to the principles on which it was based. More than one other Member—Mr. Mody in particular—also referred to the same point. I think that I might put it in this way, that we are aiming at a suitable wage having regard, of course, to the cost of living in a locality and having regard to the level of wages paid in that locality. It is obvious that the railway, being an enormous employer of labour, cannot cut loose from the rates prevailing in a given

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locality. I should be very sorry if I ever found a State-managed railway was paying wages at all below the prevailing rates; in fact I think it is our duty to be a little above the rates paid by other employers, but the view of the Government of India and the Railway Board is that we must keep always in view the rates prevailing in the locality and not legislate for the railway worker as if these rates did not exist. Then the scheme also provides for variations in the scale according to variations in the prevailing wages and the cost of living in each particular area. The railway system will be divided into blocks or zones and the actual rates may vary between one zone and another. The scheme provides for an incremental scale, running from, say, Rs. 12 a month to Rs. 17 a month in the cheapest zone, while in more expensive zones the scale might rise from Rs. 13 or Rs. 14 to Rs. 17 or Rs. 18. We are trying to keep close to the actual conditions as regards the cost of living and prevailing rates of wages in the areas with which we are dealing, and that is the method by which we propose to deal with the same problem on the different railways. Something which fell from my Honourable friend led me to fear that I conveyed a false impression to the House. I did not actually say that I was going to submit this particular scheme to the Central Advisory Council, although it will be included in any Memorandum that we send to the Council about the work which has been done by the Labour Member of the Railway Board. But it will be for my Honourable friend, the Financial Commissioner for Railways, to decide, when the proposal for spending money is brought before him, whether it should go to the Standing Finance Committee for Railways, which is the appropriate body, rather than the Central Advisory Council.

My Honourable friend Mr. Kelkar—and here again this point was taken by several speakers—expressed a desire for a statement showing how far the various projects undertaken in the last few years in the expectation that they would be remunerative, had actually proved to be remunerative. What I will try to do is, I will try, before the end of this Session, to have a statement laid on the table of the House giving all the information we can on that subject. It is not so very long since we began an active policy of construction, and therefore it is early days yet to arrive at any final conclusion. But if what I have said meets the wishes of the House, I see no reason why the statement should not be brought up to date annually and attached to the papers that are circulated at the budget time.

Several speakers have complained about the lack of time for adequate consideration of the Budget after presentation, before they are called upon to discuss it, and my Honourable friend, Mr. Vidya Sagar Pandya, complained of the time wasted in listening to the budget speech of the Railway Member. I have the greatest possible sympathy with the second complaint. I can very well understand it, but I would only point out to my Honourable friend that attendance on these occasions is not compulsory. (Laughter.) As regards the other complaint, I know that it has been considered again and again whether it could not be arranged to give more time, but there are very grave practical difficulties owing to the dates to which we have to work. But I am quite sure, if my Honourable friends, the Finance Member and the Leader of the House, could see their way to get round these practical difficulties, they would try to meet the views

that have been expressed today. But I know from having looked into it myself that it is very far from being an easy question.

As for the suggestion that was made several times that it would be better if the Railway Budget were introduced in the Autumn Session, I am afraid that that requires an amendment of the Government of India Act before it could be done, and I have no doubt that in connection with the new constitution the question will be considered.

My Honourable friend, Sir Hugh Cocks, pointed out that, in the map that is circulated with the budget papers, in the latest map, there are no yellow lines signifying lines under survey. I think there are two reasons for that. One is that, in the course of the last few years, a considerable number of surveys have been made, and there is a certain accumulation of projects which have already been surveyed. In the second place, we are not anxious that survey programmes should get too far ahead of construction programmes, because we find that, after two or three years, the survey figures get out of date and have to be reviewed all over again, and it is not quite safe to trust them after that period. He also suggested that we might show in the map, lines that it was thought likely would be under construction in the course of the next two or three years. That is a suggestion which I am quite ready to consider, and it would fit in quite well with the half yearly review that I and the Finance Member propose to undertake, in our review we shall be looking forward and trying to frame a programme of the course of operations during a period of two or three years, and I do not think that it would be difficult to indicate, in a map, which were the lines likely to be taken up in the near future.

My Honourable friend, Mr. Amar Nath Dutt, referred to several points, and in particular he asked me for information as to what was going to be done about two particular railways. One was the Bankura Damodar River extension and the name of the other, I regret to say, I did not succeed in getting down accurately. I should like to say that as soon as we get his printed speech in the proceedings of the House, I will try to see whether we cannot give him the information he wants with the least possible delay.

A great deal has been said today, as usual, about the third class passenger, and attention was quite rightly drawn to the fact that I did not refer to him in my budget speech. But frankly I had a good many things to say about labour matters in that speech, and I did not want to overload it with too much material on other subjects. The welfare of the third class passengers is a very important matter, and it would be strange indeed if it did not occupy a prominent place in these annual discussions. I may say that it has been under consideration two or three times by the Central Advisory Council during the year. We have been trying to examine it systematically and to see what practical measures can be taken to effect an improvement. As regards overcrowding, I think the best suggestion we had was to take from time to time actual censuses of particular trains without warning beforehand and find out from these censuses whether overcrowding has actually taken place. That system, I believe, originated with a suggestion of the Local Advisory Committee of the Bombay, Baroda and Central India Railway and has worked very well. I think we have already drawn the attention of Railway Administrations to that system, and perhaps I might say, for the information of my

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Honourable friend, Mr. Gaya Prasad Singh, that we shall draw the attention of the Bengal and North Western Railway to the matter, and also to the particular train on that Railway which he said was apt to be overcrowded. Similarly, we will draw the attention of the East Indian Railway to the train on that Railway which he says is overcrowded.

My Honourable friend, Dr. Ziauddin Ahmad, whom I should like to congratulate on his very interesting maiden speech, made two suggestions which interested me. One was that, when there is overcrowding, somebody ought to be put in prison for it. I say it is an interesting suggestion, because I was wondering who it was going to catch. Under a system of State management, it might prove to be the Railway Member (Laughter), or if the Standing Finance Committee had rejected a proposal for a larger number of carriages, it might be the members of the Standing Finance Committee. There must be some difficulty, when there is direct State management, in applying practically a system of that kind, because it might often be difficult to say where the responsibility lay.

Pandit Madan Mohan Malaviya (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): May I invite the Honourable Member's attention to sections 63, 109 and 102 of the Railway Act. They provide that, if a man enters or refuses to leave a room when the number of seats allotted has been exceeded, he can be prosecuted and fined Rs. 20; and if a railway officer causes any man to enter into any such room where the number is full, he is liable to punishment and a fine of Rs. 20. If these sections are applied, probably much of the trouble will go.

The Honourable Sir George Rainy: The Honourable the Leader of the Opposition is perfectly correct in his statement about the law but it is a very difficult law to apply. The difficulty is not the making of the law but its practical application. I am bound to say that that what I trust more than anything else, in order to secure an improvement in the conditions affecting third class passengers, was continuous pressure,—pressure from above, pressure from below, and pressure from all round,—and I attach great importance to the Local Advisory Committees in this connection. This pressure will gradually and steadily get changes made that are necessary and ought to be made. I am not much of a believer in sudden and drastic remedies, but I am a very firm believer in the effect of continuous pressure, and there is not the least doubt that we have done a good deal in the last few years and that has been mainly due to the pressure of the Local Advisory Committees and of this House,—I do not hesitate to say so.

Now, Sir, I should have liked to follow my Honourable friend, Pandit Hirday Nath Kunzru, into the figures he gave us to illustrate the doubt that he felt whether all was well with the Railway finance. But I am afraid that, at the close of a debate like this, it is difficult, as I had no opportunity to examine the figures beforehand, to argue the case in a form which is satisfactory either to the speaker or to those who have to hear him. But as far as nearly I can make out from the figures, what it comes to, is this, that in spite of increased interest charges of nearly 7 crores, and in spite of our reductions in rates and fares, the net gain to the Railways as between 1925-26 and 1930-31 is only reduced by 286 lakhs, of which 250 lakhs are due to a larger provision for depreciation. I do not think that is too bad because it is quite true, as the Honourable Member

suggested I think in his speech, that if you pass through a period of vigorous new construction, your fresh expenditure will not for a time be fully re-productive, and you may have to pass through a period when your interest charges are not fully recovered from the new lines. That, I think, is quite possible. However, this is a matter which undoubtedly is one of the things which ought to form part of the review of railway policy which the Honourable the Finance Member and I hope to undertake and I can assure the Honourable Member that that aspect of it will receive consideration.

As regards my Honourable and gallant friend, Colonel Gidney, I was interested in what he said, although I must say that I listened to one or two of his remarks with a certain amount of surprise. But I think the matter to which he personally attached the most importance was the question of the pay in the East Indian Railway. That is a matter which I am prepared to look into, but I am bound to say that my information at present does not entirely confirm the statement of facts which he presented to the House. I found it a little difficult to follow all his views about the impolicy and impropriety of purchasing new railways out of the Reserve Fund, for I found great difficulty in understanding in what sense it can be said that they have been purchased out of the Reserve Fund, or what exactly my Honourable and gallant friend's view as to the proper object of the Reserve Fund was. Certainly it would be very difficult to apply any part of the Reserve Fund to recurring expenditure, save and in so far as we use it, according to its original intention, to tide over a period of bad years when, owing to temporary reasons, our surplus is running low.

My Honourable friend, Mr. Mody, in his request for lower rates referred to the example of derating in England. I do not think that example is quite in point, and the difference is this. What they did in England was to remit the local rates which are essentially a tax on property paid by local residents. They took them off and substituted for them other forms of taxation. But this proposal to reduce railway rates in order to encourage other industries, means that one commercial enterprise is to give up something in order to benefit some other form of commercial enterprise. If the railways are to be run on commercial principles, the question would be, how is the railway to get back the money which it has given up, unless indeed it was proposed that the railways should be subsidised from General revenues? I should not be very hopeful that my Honourable colleague, the Finance Member, would agree to any suggestion of that kind.

My Honourable friend, Mr. Muhammad Yakub, referred to one matter, and that was the fact that the Crew Staff was still temporary. I should like to tell him that orders have now been issued to institute an inquiry whether the staff ought not now to be made permanent.

Then we had the question which I sometimes thought perhaps interested this House in connection with railways more than any other, and that is the question of the purchase of the Company-managed railways. My Honourable friend, Mr. Iswar Saran, is very anxious that I should give a definite and final reply as to what Government propose to do with regard to the Assam Bengal Railway and the Bengal and North Western Railway. Both cases are now under examination, and until that examination has gone further than it has, I shall not be in a position to make a final statement. The only thing I want to say today is that, quite apart from any question of policy, there is a practical problem in connection with the Bengal and

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North Western Railway. I think the sum involved in the purchase is in the neighbourhood of 12 million sterling, and if we should decide to purchase it, then we shall have to solve the practical problem how that money is to be provided. Government have come to no conclusion on the subject as yet and there must be a very full examination of the financial aspect of it before they attempt to arrive at their decision. Naturally of course great weight will be paid to the frequently expressed desire in this House that the opportunity of purchase should not be missed.

Sir Purshotamdas Thakurdas: May I ask the Honourable Member how he computes that figure of 12 million sterling? Is that the cost of the Railway, *plus* 20 per cent. or is it the valuation of the Railway as it is today?

The Honourable Sir George Rainy: I am giving it as an approximate figure, but I think it is the total sum that has got to be provided if we purchase.

Sir Purshotamdas Thakurdas: Does the contract provide for the price at which the Government of India can exercise the option of purchasing *plus* a premium?

Mr. A. A. L. Parsons (Financial Commissioner, Railways): I have not the exact details with me, but I think the price was settled a good many years ago, subject to the addition of the capital expenditure spent on the line after the price was settled. I can easily obtain the exact figures for the Honourable Member.

Sir Purshotamdas Thakurdas: I should feel grateful if the Honourable Member will put me in possession of the details.

The Honourable Sir George Rainy: I think what I have said covers the main points which were raised in the course of the debate, although I am very conscious that there are other points to which I should have liked to reply but for the fact that the time at my disposal hardly permits it. I should like, in conclusion, to thank all Honourable Members who have spoken for the interesting and helpful contributions they have made to the debate. I assure them that, if they do not see any fruit of their labours now, yet I do not think it is likely that in the end their labours will be entirely infructuous. (Applause.)

The Assembly then adjourned till Eleven of the Clock on Thursday, the 20th February, 1930.