THE

LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume II, 1937

(23rd February to 13th March, 1937)

FIFTH SESSION

OF THE

FIFTH LEGISLATIVE ASSEMBLY 1937



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Legislative Assembly.

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LEGISLATIVE ASSEMBLY.

Saturday, the 13th March, 1937.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

QUESTIONS AND ANSWERS.

COMMUNAL PERCENTAGE FIXED FOR SERVICE IN THE EDUCATION DEPARTMENT OF AJMER-MERWARA.

- 622. *Bhat. Parma Kend: Will Government be pleased to state the communal percentage fixed for service, in the educational department of Ajmer-Merwara? What is the present percentage of Hindu and Muslim clerks in that department?
- Sir Girja Shankar iBajpai: With your permission, Sir, I shall answer questions Nos. 622 and 624—628 together. The information required by the Honourable Member has been called for and will be laid on the table of the House in due course.
- QUALIFICATIONS OF TEACHERS APPOINTED IN THE RAILWAY SCHOOLS IN RAJPUTANA.
- 623. *Bhai Parma Nand: (a) What are the number and qualifications of the teachers recommended and appointed by the present Inspector of Schools in the railway schools in Rajputana?
- (b) Has this recruitment been made according to the communal percentage?
- The Honourable Sir Muhammad Zafrullah Khan: (a) and (b). The question is too general for any specific reply to be given. If the Honourable Member will specify schools for which information is required, I will endeavour to give a reply.

INSPECTING OFFICERS IN AJMER-MERWARA.

†624. *Bhai Parma Nand: Is it a fact that out of five inspecting officers in Ajmer-Merwara, only one is a Hindu?

Want of Knowledge in Hindi of the Inspector of Schools, Ajmer.

- †625. *Bhai Parma Nand: (a) Is it a fact that the Muslim Inspector of Schools, Ajmer, does not know Hindi? If so, how can he examine pupils in rural schools where Hindi is the medium of instruction?
 - (b) Is there no obligation on the District Inspectors to know Hindi?

[†] For answer to this question, see answer to question No. 622.

GRANT PAID TO HIGH SCHOOLS IN AJMER-MERWARA AND PUPILS IN THESE SCHOOLS.

†626. *Bhai Parma Mand: What is the amount of grant paid to each of the high schools in Ajmer-Merwara, and what is the number of pupils in these schools respectively during the years 1935-36?

COMMUNAL PERCENTAGE FIXED FOR ADMISSION TO THE VERNACULAR TRAINING CLASSES IN AJMER MERWARA.

1627. *Bhai Parma Nand: Has the Education Department of Ajmer-Merwara fixed any communal percentage for admission to the vernacular training classes, and is it a fact that Muslim candidates were brought from villages to make up 50 per cent. after the time of admission was over?

Occupation for the Purposes of Residence of a Part of Office by the Employees of the Education Department, Ajmer-Merwara.

†628. *Bhai Parma Nand: Is it a fact that some employees of the Education Department, Ajmer-Merwara are occupying some part of the office for the purposes of residence?

LOADING AND UNLOADING OF GOODS, RAILWAY STORES AND CONTRACT FOR COOLIES ON CERTAIN STATIONS.

629. *Mr. Sham Lai: Will Government be pleased to state:

- (a) whether they are aware that
 - (i) the system of loading and unloading of goods at certain railway stations,
 - (ii) the manner of purchasing and accounting the railway stores, and
 - (iii) the system of coolies contract as prevailing on different railways,

have lent themselves sometimes to corruption and public criticism; and

(b) if so, whether they propose to take any steps in these matters?

The Honourable Sir Muhammad Zafrullah Khan: I am afraid no system or procedure that is practicable is proof against the weakness of human nature and criticism in regard to some aspect of it. Suitable disciplinary action taken in cases in which corruption is established serves as a deterrent, and criticism of the system or procedure receives the fullest consideration.

Mr. Lalchand Navalrai: Were any specific cases dealt with last year with regard to corruption?

The Honourable Sir Muhammad Zafrullah Khan: I would require notice of that question.

Mr. N. M. Joshi: Will Government consult the Central Advisory Committee regarding what is called the system of cooly contracts?

[†]For answer to this question, see answer to question No. 622.

- The Honourable Sir Muhammad Zafrullah Klean: What aspect of the contract system does the Honourable Member refer to?
- Mr. N. M. Joshi: Whether the contract is a good system both in the interests of the railways and in the interests of the people who work on the platform as porters. I want an inquiry to be made whether the contract system is injurious?
- The Honourable Sir Muhammad Zafrullah Khan: I shall be prepared to consider any suggestions that may be sent up, but I am afraid this is not a kind of question that can be referred to the Central Advisory Council.
- Mr. T. S. Avinashilingam Chettiar: May I know whether this is the most perfect system that the Government can devise?

The Honourable Sir Muhammad Zafrullah Khan: No system is perfect.

Mr. T. S. Avinashilingam Chettiar: No system may be perfect, but I want to know whether the Government are satisfied that this system cannot be improved upon.

The Honourable Sir Muhammad Zafrullah Khan: I have already said that I am prepared to consider any suggestions with regard to improvements.

Mr. M. Ananthassyanam Ayyangar: Is the Honourable Member aware that on the M. and S. M. Railway, E. and F. Stations, there is only one porter for carrying 100 articles in less than two minutes and the station master employs coolies and receives remuneration from the persons who consign.

The Honourable Sir Muhammad Zafrullah Khan: I am not so aware.

Mr. Sham Lal: Is it a fact that the contractors take a major portion of the wages of the coolies?

The Honourable Sir Muhammad Zafrullah Khan: I am not aware of the proportion he takes.

Mr. Sham Lal: Will the Honourable Member inquire into the matter?

The Honourable Sir Muhammad Zafrullah Khan: I should think that the contractor must take something in order to guarantee service.

RATES OF INTEREST OR DIVIDEND PAID ON INDIAN RAILWAYS.

- 630. *Mr. Sham Lal: Will Government be pleased to state:
 - (a) the amounts of money paid as interest or dividend on Indian or non-Indian capital invested in Indian Railways during each of the last three years; and
 - (b) what the rates of interest or dividend were in different Railways during the last financial year?

Sir Raghavendra Rau: I presume the Honourable Member is referring to State-owned Railways.

Full particulars regarding the interest payments are contained in Accounts No. 24, 28 and 28-A of the Finance and Revenue Accounts of the Government of India, copies of which are in the Library of the House.

Mr. T. S. Avinashilingam Chettiar: What is the percentage of the Indian and non-Indian capital?

Sir Raghavendra Rau: That also is contained in the publication to which I have referred.

OVERCROWDING OF INTERMEDIATE CLASS CARRIAGES ON THE FRONTIER MAIL.

- 631. *Mr. Sham Lal: Will Government be pleased to state:
 - (a) whether they are aware that intermediate class carriages of the Frontier Mail are generally overcrowded and this causes great inconvenience to passengers who cannot afford to travel in higher classes; and
 - (b) if so, whether they propose to take any action for the future in the matter?

The Honourable Sir Muhammad Zafrullah Khan: (a) Government are not aware of any complaints having been made on this point.

- (b) Does not arise, but I will ask the Agents of the Bombay, Baroda and Central India and North Western Railways to look into the matter.
- Mr. Sham Lal: Will the Honourable Member be pleased to arrange for an increase of the intermediate class carriages?

The Honourable Sir Muhammad Zafrullah Khan: If it is discovered that serious inconvenience is caused, some measures will be taken to remedy it.

Mr. N. M. Joshi: May I ask whether the Government of India will ask the Agent to consider the question of attaching third class carriages to the Frontier Mail?

The Honourable Sir Muhammad Zafrullah Khan: If the Honourable Member likes, I shall send the Agent a copy of his question, but I am afraid it would not be possible to add extra load to this train without decreasing the accommodation which might be required for the higher classes.

CERTAIN STUDENTS SENT UP FOR THE MATRICULATION EXAMINATION OF THE DELHI UNIVERSITY.

632. *Mr. Sham Lal: Will Government be pleased to state the number of students who went up last time for the Matriculation Examination of the Delhi University below the ages of fourteen, fifteen and sixteen, respectively?

Sir Girja Shankar Bajpai: The Matriculation Examination held in Delhi is not conducted by the University but the Board of Secondary Education. The number of students below the ages of 14, 15 and 16 who appeared for this examination in 1936 was:

Below 14 years				27
Below 15 years				91
Below 16 years				204

Mr. Sham Lal: Do Government propose to put any age restriction on the students?

Sir Girja Shankar Bajpai: Not that I am aware of.

SETTLING DOWN IN INDIA FOR PRACTICE OF GERMAN DOCTORS.

633. *Mr. Sham Lal: Will Government be pleased to state:

(a) whether it is a fact that several German doctors are settling down in India for practice;

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- (b) if so, whether the foreign degrees of these doctors are being duly recognised by Government in the matter of medical certificates;
- (c) if so, whether there is a reciprocity of treatment in Germany regarding Indian degrees of medicine; and
- (d) if not, whether they propose to take any steps in the matter?

Sir Girja Shankar Bajpai: (a) So far as Government are aware, some German doctors have settled down in Calcutta and Bombay.

- (b) No.
- (c) No.
- (d) The matter will be considered.

Mr. Sham Lal: Why should Germans be allowed to practise as doctors when Indians are not allowed to practise as doctors in Germany?

Sir Girja Shankar Bajpai: That is the very point that is under consideration.

Mr. Sham Lal: When will it be decided?

Sir Girja Shankar Bajpai: The General Medical Council have made a representation to Government, and we will endeavour to reach a decision as soon as possible.

Mr. Husenbhai Abdullabhai Lalji: When was that representation made?

Sir Girja Shankar Bajpai: About six weeks ago.

Mr. K. Santhanam: May I know why the provisions in regard to reciprocity should not be automatically applied?

- Sir Girja Shankar Bajpai: Because there is no legislation at the present moment to prevent anybody from practising medicine in India, whether he comes from outside or is indigenous.
- Sir H. P. Mody: Will Indian doctors be regarded as Aryans or Jews in Germany?
- Sir Girja Shankar Bajpai: That question ought to be addressed to Herr Hitler or the Führer.
- Mr. M. Ananthasayanam Ayyangar: How long have these doctors been practising in India?
 - Str Girja Shankar Bajpai: I should require notice of that question.
- Mr. N. M. Joshi: In view of the fact that most of these Germans are exiles, may I know whether any pressure will be exercised on the German Government by any action which we take against these doctors?
- Sir Girja Shankar Bajpai: I was not aware that the intention is to exert pressure on the German Government. I believe the idea is to prevent these doctors from competing with Indian doctors.

PRACTISING OF MEDICINE BY UNQUALIFIED AND UNREGISTERED PEOPLE.

- 634. *Mr. Sham Lal: Will Government be pleased to state:
 - (a) whether they are aware that unqualified and unregistered people sometimes get themselves known as 'Doctors' in order to pass for legally qualified practitioners to treat diseases:
 - (b) if so, whether any action was taken against any of these people during the last three years in the centrally-administered areas, and
 - (c) if so, in how many cases?
- Sir Girja Shankar Bajpai: (a) There is no law against the use of the title "Doctor": it is the case that unqualified and unregistered people make use of the title.
- (b) and (c). Information is being collected and will be furnished to the House in due course.
- Mr. Sham Lal: Why don't Government take steps to see that no unqualified person calls himself a doctor?
- Sir Girja Shankar Bajpai: The question is not so simple. You cannot penalise people who practise allopathy when there are the Ayurvedic and Unani systems and several other matters have to be taken into account?
- Mr. M. Ananthasayanam Ayyangar: Will Government prevent clerks in the Simla offices from practising as homocopaths?
- Sir Girja Shankar Bajpai: There is no law under which Government could take action.

Sir H. P. Mody: Will the Finance Member be allowed to call himself Dr. Grigg?

Sir Girja Shankar Bajpai: I have no doubt the question will be answered by the Honourable the Finance Member when he winds up the debate on the Finance Bill.

PRACTISING OF MEDICINE BY COMPOUNDERS AND DRESSERS.

635. *Mr. Sham Lal: Will Government be pleased to state:

- (a) whether they are aware that sometimes compounders and dressers having worked for short periods in some Government dispensaries, or with some private medical practitioners, start practising medicine to the detriment of the health of the public; and
- (b) if so, whether they propose to take some action in the matter in the centrally-administered areas?

Sir Girja Shankar Bajpai: (a) Government have no information.

(b) Special legislation would be necessary to prohibit medical practice by unqualified persons. No action in this direction is contemplated at present.

BEGISTRATION OF NURSES IN THE CENTRALLY-ADMINISTERED AREAS.

- 836. *Mr. Sham Lal: Will Government be pleased to state:
 - (a) whether nurses are being duly registered within Municipal area of the centrally-administered territories; and
 - (b) if so, whether they propose to have qualified medical practitioners registered in these areas?

Sir Girja Shankar Bajpai: Information is being called for and will be furnished to the House as soon as possible.

EXPENDITURE ON THE ERECTION AND REPAIR OF CHURCHES AND CEMETERIES.

637. *Mr. Sham Lal: Will Government be pleased to state the amount of expenditure incurred out of Government funds for the erection and repair of churches and cemeteries during the last ten years?

The Honourable Sir Frank Noyce: The amount of expanditure incurred from Government funds on the erection of churches during the last ten years is four lakhs and thirty-five thousand rupees. I regret that I am unable to supply the rest of the information that the Honourable Member has asked for.

Mr. M. Ananthasayanam Ayyangar: Do any of these churches cater for the civilian population?

The Hononrable Sir Frank Neyce: These are intended for what is known as entitled persons, namely, Government officials and soldiers.

CHECKING OF DRUGS IMPORTED INTO INDIA.

638 *Mr. Sham Lal: Will Government be pleased to state:

- (a) whether it is a fact that drugs and other medical preparations are being imported into India in great quantities from outside;
- (b) if so, whether there exists any central agency established by Government, or subsidised by them, to check which of those drugs are spurious and which genuine; and
- (c) if none, whether they propose to take any step in the matter?

Sir Girja Shankar Bajpai: (a) Yes.

(b) and (c). A Biochemical Standardisation Laboratory consisting of a Bio-assay sub-section and a Pharmaceutical sub-section has recently been established at Calcutta by the Government of India.

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RESEARCH WORK INTO INDIGENOUS DRUGS CONDUCTED BY MEMBERS OF THE INDIAN MEDICAL SERVICE.

639. *Mr. Sham Lal: Will Government be pleased to state:

- (a) the number of members of Indian Medical Service who conducted research work into indigenous drugs during the last five years in the various parts of the country; and
- (b) if any, what discoveries of therapeutic value have been made by them during this period?

Sir Girja Shankar Bajpai: (a) One.

(b) The results of the work done are published in the annual reports of the Scientific Advisory Board, Indian Research Fund Association, the latest report being up to the 31st December, 1936.

MEMORANDA OR REPRESENTATIONS SUBMITTED TO THE RAILWAY ENQUIRY COMMITTEE.

640. *Mr. Sham Lal: Will Government be pleased to state:

- (a) the number of non-official individuals and organised bodies from whom memoranda or representations were received provincewise by the Railway Enquiry Committee concerning different subjects, in order to prepare a comprehensive report; and
- (b) whether they propose to gauge public opinion in some other ways before reaching definite conclusions?

The Honourable Sir Muhammad Zafrullah Khan: (a) I am afraid I am unable to furnish exact information.

(b) No.

Mr. Sham Lal: Would the report be discussed in this House?

The Honourable Sir Muhammad Zafrullah Khan: I have already dealt with that.

MONEY DERIVED FROM EXCISE DUTY ON SUGAR.

- 641. *Mr. Sham Lal: Will Government be pleased to state:
 - (a) the amounts of money derived from excise duty on the output of sugar from different sugar-mills of different provinces during the last financial year; and
 - (b) the name of British Indian Provinces where minimum rates per maund for the purchase of sugar-cane by owners of sugar-mills have already been fixed up in conformity with different conditions prevailing in different parts of India?

Sir Girja Shankar Bajpai: (a) The information is not available.

(b) The United Provinces and Bihar.

EXPIRY OF THE LICENCE OF THE DELHI ELECTRIC SUPPLY COMPANY.

- 642. *Mr. Mohan Lal Saksena: (a) Will Government state when the licence of the Delhi Electric Supply Company expires?
- (b) Do Government propose to consider the feasibility of acquiring the Company on the expiration of the licence?
- (c) Is it a fact that the dividend given by the Company is 12 per cent. free of income-tax? If so, why is the dividend exempt from income-tax?
- (d) Will Government state how much of the capital of the company is held by Indians and how much by non-Indians?
- The Honourable Sir Muhammad Zafrullah Khan: (a) A licence was granted to the Delhi Electric Supply and Traction Company, Limited, under section 7 of the Indian Electricity Act, and the option of purchase under this section is first exercisable on the first day of March, 1947.
- (b) In view of the reply given to part (a), it would be premature to consider this question now.
- (c) The reply to the first part of the question is in the affirmative. As regards the latter part, the dividends are free of income-tax to the share-holders as the company have already paid tax on these dividends.
 - (d) Government have no information.
- APPOINTMENT OF AN INDIAN IN PLACE OF DIWAN BAHADUR MATHURA DAS, DIRECTOR OF ESTABLISHMENT, RAILWAY BOARD.
- 643. *Mr. Mohan Lal Saksena: (a) Will Government state when Diwan Bahadur Mathura Das, Director of Establishment, Railway Board, is due to retire?
- (b) Is it a fact that on his retirement Government contemplate appointing a European Supervisor in his place? If so, are Government prepared to consider the feasibility of having an Indian in place of Diwan Bahadur Mathura Das?

The Honourable Sir Muhammad Zafrullah Khan: (a) In November, 1942, on reaching the age of 55.

(b) I regret I am unable to follow the question.

- Mr. M. Ananthasayanam Ayyangar: May I know if, on the retirement of that gentleman, Government will fill up the appointment by an Indian or by a European?
- The Honourable Sir Muhammad Zafruliah Khan: If the Honourable Member could tell me—it is more than I am able to guess—as to what post this particular gentleman will retire from in 1942, I might or I might not be able to give an answer.
- Mr. M. Ananthasayanam Ayyangar: Has any particular job been reserved for Europeans?
- The Honourable Sir Muhammad Zafrullah Khan: No posts are reserved for Europeans.

CEBTAIN INFORMATION REGARDING THE STRENGTH AND PERSONNEL OF THE: INDIAN ARMY.

- 644. *Mr. Mohan Lal Saksena: (a) Will Government supply the following information regarding the strength and personnel of the Indian Army:
 - (i) the total strength of the arm;
 - (ii) the total number of British soldiers;
 - (iii) the total number of non-Indian Gurkha soldiers:
 - (iv) the total number of non-Indian soldiers belonging to transborder tribes;
 - (v) the total number of British Officers;
 - (vi) the total number of Indian Officers holding King's Commission; and
 - (vii) the total number of Indian Officers holding Viceroy's Commission?
- (b) Will Government state the total number of retired British soldiers working as clerks, checkers, etc.?
- (c) How much of the strength has been reduced by separation of Burma?
- Mr. G. R. F. Tottenham: (a) The reply to clause (iv) of part (a) is 638 except that I do not admit that there are no Indians. The information asked for in other clauses will be found in the "Return showing the actual strength of the Army and Royal Air Force in India" and the Indian Army List, copies of which are in the Library.
- (b) The information is not available, and its collection would involve an expenditure of time and labour which would be incommensurate with the value of the result.
- (c) Two battalions of British Infantry, four battalions of Indian Infantry (i.e., the whole of the Burma Rifles), five units of Auxiliary Force and three units of the Indian Territorial Force. Their strength is shown in the Return mentioned in part (a) above.
- Mr. Mohan Lal Saksena: With reference to the reply to part (b), may I ask what will be the cost of collecting this information?

- Mr. G. R. F. Tottenham: Considerable.
- Mr. Mohan Lal Saksena: How much?
- Mr. G. R. F. Tottenham: I could not say.
- Mr. Mohan Lal Saksena: Is it not a fact that Government are not collecting the information, because by this device they are maintaining a larger strength of British soldiers in the army than is required?
- Mr. G. R. F. Tottenham: No, Sir. If the Honourable Member will read his question, he will see how extremely vague it is.
- Mr. B. Das: Why did not Government publish the usual leaflet with the budget statements regarding the question of the defence strength and expenditure in India that used to be published every year along with the budget statements?
- Mr. G. R. F. Tottenham: I do not think that that arises out of this question.
- Mr. K. Santhanam: What is the reduction in the number of staff officers owing to the separation of Burma?
 - Mr. G. R. F. Tottenham: I would require notice of that.
- Mr. M. Ananthasayanam Ayyangar: May I ask if there is no age limitfor the appointment of clerks?
 - Mr. G. R. F. Tottenham: I shall want notice of that.

STRENGTH OF THE AUXILIARY TROOPS.

- 645. *Mr. Mohan Lal Saksena: (a) What is the total strength of the Auxiliary troops in India?
- (b) What are the respective numbers of (i) Europeans, (ii) Anglo-Indians, and (iii) Parsis?
- Mr. G. R. F. Tottenham: Presumably the Honourable Member is referring to the Auxiliary Force (India). On this assumption the replies are as follows:
 - (a) The information desired by the Honourable Member is given in the "Return showing the actual strength of the Army and the Royal Air Force in India", a copy of which is in the Library.
 - (b) Figures for Europeans and Anglo-Indians are not maintained separately. Parsis are not eligible to join the Auxiliary Force.
- Mr. Mohan Lal Saksena: Besides Anglo-Indians, are there no other people entitled to join the Auxiliary Force?

- Mr. G. R. F. Tottenham: No, Sir. Under section 4 of the Auxiliary Force Act, recruitment is confined to European British subjects as defined in the Criminal Procedure Code and to British subjects of European descent in the male line.
- Mr. Mohan Lal Saksena: Are Anglo-Indians treated as European British subjects?
- Mr. G. R. T. Tottenham: They are British subjects of European descent in the male line.
- Mr. T. S. Avinashilingam Chettiar: What are the reasons for that law with regard to the Auxiliary Force?
- Mr. President (The Honourable Sir Abdur Rahim): The law is there; I do not think this arises.
- Mr. Mohan Lal Saksena: Are there no Anglo-Indians who are British subjects of European descent in the female line?

(No answer.)

STRENGTH OF THE INDIAN TERRITORIAL FORCE.

- 646. *Mr. Mohan Lal Saksena: (a) What is the total strength of the Indian Territorial Force?
- (b) Is it a fact that selection to this force is restricted to what are called 'politically safe'? If so, what instructions, if any, have been issued for determining as to who are 'politically safe'?
- Mr. G. R. F. Tottenham: (a) The information desired by the Honourable Member is given in the "Return showing the actual strength of the Army and the Royal Air Force in India", a copy of which is in the Library.
- (b) The answer to the first part of the question is in the negative. The second part does not arise.
- Mr. Mohan Lal Saksena: I want to know if any instructions have been issued regarding recruitment to the Territorial Force.
- Mr. G. R. F. Tottenham: There are the ordinary regulations regarding recruitment, which are published; there are no others.

Introduction of Compulsory Military Training in India.

- 647. *Mr. Mohan Lal Saksena: (a) Will Government state what European countries have got the system of compulsory military service, and what will be the respective strength of their citizens' armies in case of eventuality?
- (b) With a view to reduce the exorbitant amount of military expenditure in India, are Government prepared to consider the advisability of introducing compulsory military training? If not, why not?
 - Mr. G. R. F. Tottenham: (a) Government have no official information.

- (b) I would refer the Honourable Member to my reply to part (b) of starred question No. 85 during the last Simla Session. One result of introducing compulsory military training in India would be an enormous increase of expenditure, and not a decrease.
- Mr. M. Ananthasayanam Ayyangat: What will be the additional expenditure in case compulsory military training should be given to Indians?
- Mr. G. R. F. Tottenham: I have not estimated the extra expenditure involved, but obviously in a country with a population of 350 million, if you had compulsory military training, you would have an army of at least ten to fifteen million. That would be very expensive.
- Mr. Mohan Lal Saksena: Will it not result in a decrease in expenditure on account of the regular army?
- Mr. President (The Honourable Sir Abdur Rahim): That is a matter of opinion. Next question.

INTRODUCTION OF "SHORT SERVICE SYSTEM" IN THE ARMY.

- 648. *Mr. Mohan Lal Saksena: Is it a fact that in certain countries they have introduced what is called 'short service system' in the army, by which it is possible to train a larger number of their citizens as regular soldiers and to reduce the strength of their standing army? If so, why is this system not considered to be feasible for India?
- Mr. G. R. F. Tottenham: The army in India, both British and Indian units, serves at present under the "short service system". The Honourable Member appears to be confusing this system with universal service or conscription.

PEOPLE TREATED AS "Non-Martial" FOR RECRUITMENT IN THE ARMY.

- 649. *Mr. Mohan Lal Saksena: (a) Will Government lay on the table a list of the castes and classes of people which have been dubbed as 'non-martial'?
- (b) Is it a fact that men belonging to some of the aforesaid classeswere recruited to the fighting ranks during the Great War? If so, why is recruitment not made from these classes?
- (c) Is it a fact that during the Great War certain of the so-called non-martial classes were removed from that category, but were re-classified as non-martial after the War? If so, which are these classes and for what reasons were they so treated?
- Mr. G. R. F. Tottenham: (a) No particular caste, class or community, is officially recognised by Government as martial or otherwise, but units of the Indian Army have always been organised on a class basis; and as there are limits to the size of that army, only a limited number of classes can ordinarily find a place in it. The classes selected are those which, from the point of view of military efficiency alone, the military authorities prefer to enlist—and what those classes are at present will be found in the Indian Army List.
 - (b) and (c). Do not arise.

INCIDENCE OF SICKNESS AMONGST THE SOLDIERS.

- 650. *Mr. Mohan Lai Saksena: Will Government state what are the comparative rates of incidence of sickness amongst the British and Indian soldiers?
- Mr. G. R. F. Tottenham: I lay on the table a statement giving the latest information available. This statement is taken from tables I and XVI of the Annual Report of the Public Health Commissioner with the Government of India, Volume II, 1934, a copy of which is in the Library.

Statement showing comparative rates of incidence of sickness amongst the British and Indian Soldiers.

				Ratio per 1,000					
	Invalids sent home.	Admissions.		Deaths.	Inva- lids sent home.	Sick.			
- Carlot Market - Carrot			British Tr	90498•	26 17	7.1			
			(All disease	-					
31,246	121	511	1,411 · 13	574.1	2.22	9.39	25.93		
j			Indian T	roops.					
			(All diseas	ses) ,					
54,335	250	669	1,919-39	456.6	2 · 10	5.62	16-14		

RATES OF ALLOWANCES GIVEN TO THE SOLDIERS.

- 651. *Mr. Mohan Lal Saksena: (a) Will Government lay on the table a statement giving the rates at which various allowances are given to Indian and British soldiers, respectively?
- (b) What are the total amounts of money which Government have to spend annually on Indian and British soldiers, respectively?
- Mr. G. R. F. Tottenham: (a) I would refer the Honourable Member to the reply I gave to starred question No. 267 asked on the 3rd April, 1935, in which I gave the names of the books of Regulations which contain the information asked for. I am, however, endeavouring to extract from these books a more easily intelligible summary of the information required and will lay a copy of it on the table in due course.
- (b) I would refer the Honourable Member to the statement on page 25 of the Defence Estimates which gives the respective cost of different types of British and Indian units—and also to Chapter VI of the Pamphlet entitled "Some Facts and Figures about Indian Defence"—a copy of which is in the Library.

EXPENDITURE ON THE MOVEMENTS OF SOLDIERS. . .

- 652. *Mr. Mohan Lal Saksena: (a) What is the total sum of money which Government have to expend annually on the movements of British soldiers (i) overseas, and (ii) in India?
- (b) What is the cost per capita of movements of British soldiers in India as compared with that in England?
- Mr. G. R. F. Tottenham: (a) When British units move in relief in India, officers and their families, the Indian platoon and the followers also move with them. Separate figures of expenditure on account of British soldiers alone are not, therefore, available. The collection of the information required by the Honourable Member in respect of movements both in India and overseas would, however, in any case involve a reference to a number of different accounts authorities, and Government do not consider that the time and labour involved would be commensurate with the value of the results.
- (b) Government are not aware of the cost **per capits** of movements of British soldiers in England, but obviously it must be far less than in India where the distances are very much greater.
- **Prof. N. G. Ranga:** Why is it that it is far less in England especially in view of the fact that the railway rates in England are very much higher than in India?
- Mr. G. R. F. Tottenham: That may be so, but I have no information as to the cost in England.

MAINTENANCE OF FOLLOWERS IN ARTILLERY UNITS IN INDIA.

- 653. *Mr. Mohan Lal Saksena: (a) Is it a fact that in artillery units in India, followers are maintained, while they are not provided for in England? If so, why?
- (b) What is the total number of these followers, and what is the additional annual cost of maintaining these extra hands?
- Mr. G. R. F. Tottenham: (a) Followers are employed in all branches of the Army in India—and not in Artillery units alone. The system does not prevail in England, but it has been established for many years in this country and is necessitated largely by the caste system, to carry out work which combatant Indian ranks cannot do for themselves, and also partly by reason of the fact that many of the duties performed by followers in India are not necessary in England where the barracks are all provided with water borne systems.
 - (b) The total number is 3,970 and the annual cost Rs. 8,57,660
- Mr. Mohan Lal Saksena: Do Government recognise the caste system in these units?
- Mr. G. R. F. Tottenham: Well, Sir, particular castes are recruited in particular units, and therefore, it must be recognised by Government.

- Mr. Mohan Lal Saksena: Why do Government not recruit from such castes as would not require extra followers?
- Mr. G. R. F. Tottenham: Because they would not make such good soldiers.
- Pandit Lakshmi Kanta Maitra: Are not these followers required only for the Indian soldiers and not for the British soldiers?
- Mr. G. R. T. Tottenham: They are required for both British and Indian soldiers.
 - Pandit Lakshmi Kanta Maitra: Why are these followers necessary?
- Mr. G. R. F. Tottenham: I have explained that the services which these followers perform for British units in India are very largely unnecessary in England where the barracks are provided with water laid; on and sanitary conveniences, and so on, which do not exist in this country.
- Mr. Mohan Ral Saksena: What are those services which cannot be performed here?
 - Mr. G. R. F. Tottenham: Sweepers and bhistis and that kind of thing.

STRENGTH OF ABTILLERY UNITS IN INDIA AND ENGLAND.

- 654. *Mr. Mohan Lal Saksena: (a) Is there a difference in the respective strength of artillery units in India and England? If so, how much?
- (b) Is it a fact that the cost of maintaining this extra strength is roughly over 36 lacs annually?
- Mr. G. B. F. Tottenham: (a) There are certain differences between the organisation and establishments of artillery units in India and in the United Kingdom. In England, for instance, the battery has four guns in peace and six guns in war; a large proportion of the artillery is mechanised, and, therefore, less men and less horses are required; and the peace establishments can be maintained at a lower strength, because reserves are immediately available. In India the battery has, as a rule, only four guns both in peace and in war; only a small proportion of the batteries are mechanised; and there are no reserves from which men can be drawn on mobilisation.
- (b) Some of the factors just mentioned make for increased cost in India, others for less cost. In any case, it is impossible to make exact comparisons, and I certainly can discover no foundation for the Honourable Member's figure of Rs. 36 lakhs.
- Mr. Mohan Lal Saksena: Will the Honourable Member be able to give any approximate figure?
- Mr. G. R. F. Tottenham: No, Sir. I have said that I have tried my best and I cannot give any exact comparison between the two.

DRIVER-COMBATANTS IN THE ARTILLERY UNITS.

- 655. *Mr. Mohan Lal Saksena: Is it a fact that in India there are driver-combatants in the artillery units, while there is no such extra personnel in England? If so, (i) what are the reasons for maintaining this extra strength, (ii) what is the total annual cost of maintaining it, and (iii) what is the total number of such combatants?
- Mr. G. R. F. Tottenham: Driver-combatants in artillery units are maintained both in India and in England. The other parts of the question do not, therefore, arise.

ROADS IN CANTONMENTS IN INDIA.

- 656. *Mr. Mohan Lal Saksena: (a) What is the total mileage of metalled roads in Cantonments in India, and what is the amount spent on its maintenance annually?
- (b) How does the cost of maintenance compare with that of maintenance of municipal and provincial reads?
- Mr. G. R. F. Tottenham: The information is not readily available, and its collection would involve an expenditure of time and labour which would be incommensurate with the value of the results.
- Mr. Mohan Lal Saksena: Does the Honourable Member mean to say that there is no record kept of the mileage of roads in cantonments?
- Mr. G. R. F. Tottenham: There is a record, but there is a large number of cantonments—the number is over 70—and to collect the details of the mileage of all the roads in all the cantonments would involve a reference to over 70 different cantonments and a great deal of time would be spent in compiling the information.
- Mr. Mohan Lal Saksena: It is for you, Mr. President, to decide whether Government should collect this information or not. After all, one circular letter from the Government of India will bring this information by the next mail. This information is available in the cantonments, and it could be had by issuing one circular letter.
 - Mr. President (The Honourable Sir Abdur Rahim): Next question.

FURNITURE ALLOWANCE ALLOWED TO SOLDIERS.

- 657. *Mr. Mohan Lal Saksena: (a) What is the total amount of money allowed to the British soldiers annually on account of furniture allowance?
 - (b) Is any such allowance allowed to Indian soldiers?
- Mr. G. R. F. Tottenham: (a) The allowance is only admissible to certain married British soldiers, who are ordinarily entitled to rent-free furniture, in those cases in which Government are unable to supply the articles to which they are entitled. To obtain the detailed information desired by the Honourable Member, a reference would be necessary to a number of different accounts authorities, and Government do not consider that the time and labour involved would be commensurate with the value of results.

- (b) No, because they are provided free with the furniture to which they are entitled under the rules.
- Prof. N. G. Ranga: Why is it that Government have not thought fit of supplying these people with furniture at their own cost, so that it may be made use of by successive generations of these married British soldiers instead of giving a furniture allowance to different kinds of people and at different stages?
- Mr. G. R. F. Tottenham: The fact is that we do supply these soldiers with free furniture as far as possible, but the money that is allotted for that purpose does not cover their total requirements, and, therefore, in comparatively small number of cases we give a furniture allowance to the individual.
- Prof. N. G. Ranga: Can we have an approximate estimate of the number of people to whom such furniture allowance is being given?
- Mr. G. R. F. Tottenham: I have not got the precise information. As I said, it would necessitate a reference to all the different Commands and Districts in order to get the information, but the total amount is not large anyhow.
- Mr. Mohan Lal Saksena: Are there any rules regarding the allownent of this extra furniture?
 - Mr. G. R. F. Tottenham: Yes, there are rules.
- Pandit Lakshmi Kanta Maitra: Can these married soldiers dispose of the furniture that is supplied to them?
- Mr. G. R. F. Tottenham: Not the furniture which is supplied by the Government.
- Mr. Mohan Lai Saksona: What about the furniture which is purchased out of the allowance that is allotted to them?
- Mr. G. R. F. Tottenham: I do not imagine that they purchase furniture. I think they hire it from private concerns.
- Mr. Mohan Lal Saksena: Which is the sanctioning authority for the grant of this extra furniture?
- Mr. G. R. F. Tottenham: I cannot say definitely, but I think it is probably the Local District Commander.
 - Mr. President (The Honourable Sir Abdur Rahim): Next question.

EXPENDITURE ON THE ARMY EDUCATION OF SOLDIERS.

- 658. *Mr. Mohan Lal Saksena: (a) What is the comparative per capita expenditure on the army education of Indian and British soldiers?
- (b) What are the amounts annually spent on the education of the children of British and Indian soldiers, respectively?

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- (c) Will Government state the per capita expenditure on British and Indian children taught?
- way as to make the information readily available. I have, however, made an affort to extract the information, and it appears to be roughly as follows:
 - (a) The expenditure per British soldier is something over Rs. 8 and per Indian soldier something over Rs. 4.
 - (b) The annual amount spent from Army Estimates on the children of British soldiers is in the region of eleven lakhs, and an the children of Indian soldiers something over two lakhs. I should, however, explain that only three schools are specifically maintained by the Army for the children of Indian soldiers. These are the King George's Royal Indian Military Schools at Jhelum, Jullundur and Ajmer.
 - (c) The cost per British child is about Rs. 293. The cost per head in the three King George's Royal Indian Military Schools is about Rs. 311, but of course only a small proportion of the children of Indian soldiers are educated in these schools.
- Mr. Mohan Lai Saksena: With reference to the answer to part (c), what is the per capita expenditure on British children and Indian children?
- Mr. G. R. T. Tottenham: The per capita cost for a British child is about Rs. 293 and for such of the Indian children as we do educate, it is Rs. 311 per head.

Pandit Lakshmi Kanta Maitra: Has the Honourable Member got any record to show the total number of Indian children taught in these schools as against sons of British soldiers?

Mr. G. R. F. Tottenham: We have no record of the total number of Indian children who are the sons of serving soldiers. Those who are educated in these schools number about 700 or 800, to the best of many recollection.

Pandit Lakshmi Kanta Maitra: What is the number of British children taught?

Mr. G. R. F. Tottenham: I am afraid I do not know. I require notice.

MEDICAL EXPENDITURE ON SOLDIERS.

- 659. Mr. Mohan Lal Saksena: (a) What is the total annual cost of medical expenditure on British and Indian elements of the Army, respectively?
- (b) How do the costs per capita on Indian and British soldiers compare with such cost in England?

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- Mr. G. R. F. Tottenham: (a) The accounts are not compiled in a manner that makes the information readily available. As far as can be ascertained by a series of rough calculations, the total annual medical expenditure on the British element of the Army in India is something less than 70 lakhs and on the Indian element something over 54 lakhs.
- ro (b) Government have no information about the cost per capita of medical expenditure on soldiers in England.
- Pandit Lakshmi Kanta Maitra: Will the Honourable Member explain why is this excess medical expenditure on the British element of the Army in India? I thought the Honourable Member said something like 70 takhs.
- Mr. G. R. F. Tottenham: The reason, I suppose, is that all the attendant circumstances of hospitals where British soldiers are treated are more expensive than hospitals where Indians are treated.
- Pandit Lakshmi Kanta Maitra: What is the total number of patients. Indian and British who are treated, so that we can form an idea about per capita expenditure?
- Mr. G. R. F. Tottenham: The statement which I have just laid on the table, in answer to a previous question, will give the necessary information.

DISABILITY PENSION OF MILITARY EMPLOYEES INVALIDED DURING THE GREAT WAR.

- 660. *Pandit Sri Krishna Dutta Paliwal: (a) With reference to the answer to unstarred question No. 152 of the 8th October, 1936, denying unusual delay in the settlement of pension claims, will Government be pleased to state if it is a fact that the claims under reference in that answer were finally settled in 10 and 15 years, respectively? Is it also a fact that one of the claims had been rejected only once and the other more than once by such a responsible authority and interpreter of Army Regulations as the Deputy Controller of Military Pensions?
- (b) Will Government please state on what report they would rely as regards their apprehensions of there being an unauthorised hand behind a claim?
- (c) Is it a fact that the services of a particular correspondent were openly recognised in the War Pensions Committee as the sole technical adviser of the non-official members thereof? Is it also a fact that to meet the objection of Government that the primary object of such correspondents was to make money, he has succeeded in hundreds of claims which were rejected in the first instance by responsible authorities, including the Medical Boards, and has helped the ex-sepoys and their families by free correspondence and upkeep of an office and assisted Government officials in bringing the cheaters and impersonators to book, as per report of the Fauji Akhbar, dated 27th October, 1934, and the Criminal Intelligence Gazette, referred to therein? Will Government please state if this correspondent has come under the category of unauthorised persons referred to in their answer mentioned in part (a) above?

- (d) Will Government be pleased to make a statement showing the amount of pay and gratuity, etc., paid through the Public Claims Institute or to the Public Claims Institute or other names assumed by them as attorney to ex-soldiers and state what steps they took to safeguard the interests of the ex-soldiers in claims of the undisbursed credit balances of pay, etc., specially after the notification made in the Criminal Intelligence. Gazette and the Fauji Akhbar referred to in part (c) above?
- (e) Are Government aware that drafts have been made payable to and through the Public Claims Institute before and after the notification referred to in (c) above and the amount disbursed has not reached the real persons (they being dead long before) and Public Claims Institute has closed their business at Delhi, apprehending the enquiry said to have been made by the Officer Commanding, Royal Indian Army Service Corps, in which the Institute was asked, by a registered letter, to furnish a statement showing the amount received and finally paid?
- Mr. G. R. F. Tottenham: I am collecting the information and will lay it on the table in due course.

Undisbursed Credit Balance of one S. R. Soni of the Royal Indian Army Service Corps.

- 661. *Pandit Sri Krishna Dutta Paliwal: (a) Is it a fact that one, S. R. Soni of the Royal Indian Army Service Corps, had an undisbursed credit balance of about Rs. 180, which remained undisbursed from the date of his discharge till it was claimed by one N. H. Kazmian as his attorney, who gave his address as Sudder Bazar, Delhi?
- (b) Is it also a fact that the amount was received in the Deputy Commissioner's office at Delhi and was returned as unclaimed between July and November 1936?
- (c) Will Government be pleased to state the home address of S. R. Soni and also state if the Officer Commanding had satisfied himself whether the advanced receipt produced as signed by S. R. Soni was genuinely and truly signed by S. R. Soni?
- (d) What are the means adopted in the office at Dagshai to see that the signatures are genuine?

Mr. G. R. F. Tottenham: (a) Yes. exact amount is Rs. 173-4-0.

- (b) Yes, during July and August, 1936.
- (c) On enrolment Soni gave the following home address:

"Serangoon
Orchard Road,
Serangoon, Singapore,
Straits Settlement."

The advance receipt was signed by one N. H. Kazamian, who furnished a power of attorney executed in his favour by S. R. Soni and attested by the Sub-Judge, 2nd Class, Delhi. The Officer Commanding had, therefore, no reason to doubt its genuineness. At this stage arrangements to pay S. R. Soni were made but he disappeared leaving no address. Enquiries subsequently made in Malaya have proved fruitless.

(d) Signatures, in such case, are accepted only when attested by civil gazetted officer.

UNSTARRED QUESTION AND ANSWER.

- DIVIDEND WARRANTS OF THE RESERVE BANK OF INDIA FOR COLLECTION AND CREDIT IN THE SAVINGS BANK ACCOUNT RECEIVED BY THE GENERAL POST OFFICE, DELHI.
- 81. Mr. D. K. Lahiri Chaudhury: (a) In how many cases has the General Post Office, Delhi, received Dividend Warrants of the Reserve Bank of India for collection and credit to the Postal Savings Bank Accounts of the shareholders concerned?
- (b) In how many cases has this Post Office refused to receive such Dividend Warrants for collection and credit to the Postal Savings Bank Account of the depositor concerned?
 - (c) What was the reason for discrimination?
- (d) Are Government prepared to give the facility of having the Dividend Warrant of the Reserve Bank of India collected and credited to the Savings Bank Accounts of all depositors? If not, why not?

The Honourable Sir Frank Noyce: (a) On two occasions.

(b) Once.

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- (c) On the first occasion when two Dividend Warrants were presented together, they were accepted irregularly through in-advertence.
- (d) No. Government do not consider it desirable to require the Post Office Savings Bank to perform such a function.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to unstarred question No. 167 asked by Mr. Sham Lal on the 16th October, 1936.

MALARIA ALLOWANCE PAID TO RAILWAY STAFF AT LHAKSAR.

The reply to the opening part of the question is in the affirmative :

- (a) On the recommendation of the Manager of the old Ondh and Bohilkund Railway.
- (b) 1908.
- (c) On the recommendation of the Divisional Superintendent, Moradabad, and the Chief Medical Officer, East Indian Railway.
- (d) and (e). A statement giving the required information is laid on the table of the House.

Statement showing the figures of sickness amongst the staff at Lhaksar.

	Months.						Years.					
v.: :		Mon	ins.				1934.	1935.	1936.			
August .		•	•	•			19	26	46			
September					•		23	31	53			
October	i.	÷	٠				36	33	••			

Information promised in reply to parts (b) to (h) of unstarred question No. 14 asked by Seth Haji Abdools Haroon on the 95th January, 1937.

OFFERS INVITED FOR CANTONMENT LAND AT KARACHI.

- (b) It is not known that any persons have held land on lease for more than 50 years in the areas being considered for disposal.
- (c) and (d). Do not arise in view of the reply to part (b). But I may inform the Honourable Member that the rights of any persons holding leases are clearly defined in the lease deeds—and Government is bound by the lease deed in the same manner as the lessee.
- (e) The attention of the Honourable Member is invited to the answer given on the 5th February, 1835, to part (a) of his starred question No. 5. The conditions are many and are mentioned in the lease deed.
- (f) The attention of the Honourable Member is invited to the answers given on the 5th February, 1935, to parts (c) and (d) of his starred question No. & ... 4
 - (g) No.
 - (h) Does not arise.
- Information promised in reply to started question No. 313 asked by Mr. Akhil Chandra Datta on the 26th January, 1937.

SHORTAGE OF QUARTERS IN THE PAHARTALI RAILWAY COLONY OF THE ASSAM BENGAL RAILWAY.

- (a) Yes.
- . (b) 165.
 - (c) No.
 - (d) Yes.
- (e) The Honourable Member is referred to the reply to question No. 1215, asked in the Legislative Assembly by Mr. Basanta Kumar Das on the 16th March, 1836.
 - (f) Seventy-two units have been built during the years 1930-1936.

Information promised in reply to unstarred questions Nos. 30 and 31 asked by Mr. N. M. Joshi on the 23rd February, 1937.

NON-PROMOTION OF ASSISTANT STATION MASTERS AS GUARDS IN THE ALLAHABAD DIVISION OF THE EAST INDIAN RAILWAY.

Question No. 30.—Government are informed as follows:-

- (a) and (b). Presumably the Honourable Member is referring to lower grade assistant station masters on the East Indian Railway as there is no separate grade for Indian assistant station masters. If so, lower grade assistant station masters are not generally promoted as guards in any division of the East Indian Railway.
- (c) The information is not readily available. I would, however, add for the information of the Honourable Member that lower grade assistant station masters are not normally eligible for direct promotion to the higher grades of platform assistants, assistant station masters, controllers and guards.
- (d) and (g), Yes.
- (e) and (f). The reply to the first parts of these questions is in the negative. The second parts do not arise.

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(h) No.

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PROMOTION OF ASSISTANT STATION MASTERS IN THE ALLAHABAD DIVISION OF THE EAST INDIAN RAILWAY.

Question No. 31.—Government are informed as follows:—

- (a) Presumably the Honourable Member is referring to the promotion of lower grade assistant station masters to higher grades as there is no separate grade for Indian assistant station masters. In the normal course assistant station masters in the lowest grade, Rs. 40—4—76, can rise through the grades of station master, Rs. 52—4—80 and assistant station master Rs. 80—5—95 or Rs. 45—4—85, to the grades of station master Rs. 85—5—120 and assistant station master Rs. 100—5—120. The next normal step of promotion is to the rank of station master in grade Rs. 130—10—170 and thereafter as station master in grade Rs. 180—10—250. The posts of section controllers grade II, Rs. 85—5—155 are selection posts and may be filled by the promotion of any station masters or assistant station masters in the lower grades or by lower grade guards. Section Controllers grade II are eligible for promotion as higher grade guards. The higher grade posts of platform assistants, assistant station masters, assistant yard masters and section controllers are normally filled by promotion of higher grade guards.
- (b) No.

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(c) Those cabin assistant station masters who are in the grade Rs. 45—4—85 are eligible for promotion as assistant station masters in the grade Rs. 80—5—95.

Information promised in reply to starred question No. 456 asked by Mr. Sami Vencatachelam Chetty on the 26th February, 1937.

Re-Conversion of the Cochin Telegraph Office into a Combined Office.

- (a) No representations have been received from the Cochin Chamber of Commerce that the conversion of the departmental telegraph office into a combined one has led to an inefficient service.
- (b) The number of telegrams handled in Cochin compared with those in many other combined offices is not large. The traffic is handled by experts in signalling.
- (c) During the year 1935-36, 38,504 telegrams were handled in Cochin and 165,465 in Cochin Mattancherry. There is no marked season for these offices.
- (d) It was not necessary for the Cochin office to work beyond its usual working hours to clear traffic.

The Cochin Mattancherry office worked beyond its usual closing time on 44 occasions totalling 54½ hours due to line disturbances or sudden rush of traffic due to market fluctuations.

(e) The maximum delay between Cochin Mattancherry and Madras between 18 and 21 hours for the week ending the 30th January, 1937, was:

Zoth January:						
at 18 hours at 20 ,,		•	ander at		ele Lega - Lega Lega - Lega	31 hours. 31 ,,
26th January:						
at 18 hours		•	≠	•	n sitt i i a	. 15 minutes.
at 20 ,,		٠.	· •	:		l hour.
27th January:			31 4. 4. 7			n, godina je
at 18 hours						. Il i ours.
at 20 ,,	15 At 2	134.4				weit 14 bereiten
28th January:				110	€ 21 18 261	in in the second
No delay.						1. V. 1881

29th January:						
at 18 hours				٠.		11 hours.
at 20 ,,		• .			. •	11 ,,
30th January:						
at 18 hours						11 hours.
at 20 ,,						Nil.

(f) Efforts are continuously directed towards avoiding congestion of traffic and the most suitable methods of doing so are applied.

(g) No.

Information promised in reply to starred question No. 458 asked by Mr. Ram Narayan Singh on the 26th February, 1937.

CASE OF ONE Mr. PHOOLCHAND JAIN, CHIEF REPORTER OF THE DAILY ARJUN,

- (a) He was prosecuted and acquitted.
- (b) The Magistrate disbelieved the evidence of one witness but cast no blame on the police.
- (c) An internment order was served on Phoolchand Jain in 1934 and that order was in strict conformity with the law.
- (d) The order referred to in (c) above was modified on account of changes in Phoolchand Jain's conduct and situation.
 - (e) No such petition was received.
- (f) Phoolchand Jain did not apply for permission. An application was however received from the editor of the Daily Arjun. Permission was refused because it was not thought desirable at the time to relax the internment order.
 - (g) The internment order on Phoolchand Jain expired on the 3rd December, 1936.

THE INDIAN FINANCE BILL-contd.

- Mr. President (The Honourable Sir Abdur Ramm): The House will now resume discussion on the motion that the Indian Finance Bill be taken into consideration.
- Mr. Husenbhai Abdullabhai Laljee (Bombay Central Muhammadan Rural): Sir, I was pointing out yesterday before we adjourned that the thing which required our immediate attention was how to find out sources which would meet our great deficit. I know very well that the great burden of military expenditure and the statutory salaries were very difficult to be met by a poor country like India. However, we have three other departments which, as I pointed out, contributed towards the general revenues, and they are the railways, the posts and telegraphs and the reserve bank. So far as the railways are concerned, the future has become very gloomy. So far as posts and telegraphs are concerned, we do not expect, it is not fair to expect large gain through this department. But all the same, it must be admitted that this is a very useful department, useful to the public and to the economic good of this country, if it were well developed as it ought to be. In this department, there is no broad policy adopted, nor a bold policy adopted in the shape of making experiments of the type we have in other countries.

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Some years back, we had the one pice postcard. We have given that up. It is admitted on all hands that we should adopt such things which may be useful to the largest number of people. Mass production and mass consumption are the greatest assets. By increasing the price of postcards, I am afraid we are not making any increased revenue, we are really losing revenue. In a country like India, where every day the people have realised the need for education, surely if an attempt is made to give these people quarter anna postcards, I am sure that that experiment will prove successful, both to the advantage of the people and to the gain of the Government. You will not lose anything. As in the case of buying power, if India is getting poorer she will not have much buying power, so in the case of postcards also, if Indians are oducated, they will more and more use postcards, if they are not educated and if Government cannot afford to give education to them, then the quarter anna postcard will be somewhat useless. In that case, I will have nothing to say. My honest belief is that if an earnest attempt is made, as the world progresses, so will poor India progress little by little, and I submit this experiment is worthwhile making of once again having quarter anna postcard.

With regard to telephones, I may assure the Government that every day the commercial people are making more and more use of it. It is in the interest of the commercial community to use the telephones, but at the present moment, great handicaps are put in the way of businessmen for want of regular lines. If at this time Government will advance sufficient money for laying out fresh lines, they will certainly have much more revenue than they have at present, in fact enough revenue which will cover the sinking fund and the interest. Now that the money market is cheap, it is time that Government took steps to raise a loan for developing trunk telephone lines. If Government think that this will be a sort of burden, I may assure them that in all the countries at this time, they do not consider this sort of investment as a burden. It will pay them in the end; for it will bring with it development of industries. The next source from which the general revenues derive some benefit is the reserve bank. The Honourable the Finance Member in his speech said about currency and other things, "that the reserve bank profits are low owing to low yield obtainable on the somewhat restricted type of security in which alone the bank is allowed by law to invest its assets". I quite agree, but I ask why should there be such a restrictive type of security.

The Honourable Sir James Grigg (Finance Member): Because the Reserve Bank is intended to keep its assets liquid.

Mr. Husenbhai Abdullabhai Laliee: All right. Liquid assets can be had, not only in Government securities, but in others as well. I may refer to stocks of agricultural produce all over the country, and they are assignable easily saleable securities. In fact, every foreign bank in India and many banks in Europe are more eager to advance on agricultural products than on anything else, because if money is required, those agricultural products could be sold at any time. They are considered to be very good liquid assets. If you insist on the reserve bank

investing everything and always against securities, then their position during war time will not be so good as compared to investment against agricultural produces which are much better security as liquid assets than Government papers. It is only on such rare occasions as war and scarcity that the reserve bank will require its assets to be liquid, and, therefore, investment on foodstuffs will be much more valuable than a ordinary circumstances because such agricultural products will be easily saleable, and with profit in addition.

Sii, my whole objective is that we have got to develop our country. We cannot remain in this state, and it is not in the interest of Government to keep us in this state. Let us see what we are doing for our agricultural produce. During my visit to Italy in the course of my recent travels in Europe, the great Mussolini in an interview of more than half an hour with me asked: "What about our potatoes in India?" It is a well known fact that Italian potatoes are coming into India and have been coming into India; and when a great man who has got all these world troubles takes good care to find out what the articles are which Indians take, and in their interviews they try to find out what the real position of the agriculturist is, I ask what our Government do, in this respect. It is not a very simple question for Mussolini to think of potatoes,—a man who wants to conquer the whole world. But that is the care which they devote to these things in the interest of the masses, and it is this care which we want from you. We want you to study what are the products of our country which have been finding a market and what are the products which will not find a market hereafter and what are the products which you can help to find a market for. I will give another instance to my Honourable friend. When I went to Liverpool. I was kindly taken round the great salt works as I knew these people, being interested in salt myself; and the most surprising thing that I was promised to be shown in the salt works was a thing which they called Dutch butter. I was naturally anxious to know what that was. They said that they had made arrangements with the Dutch Government through Government to buy their butter in exchange for their salt and they called a large quantity of the Liverpool salt which was being sent to Holland, Dutch butter. What more do you want of the care of British Government for their produces when they were so careful of their salt and the Dutch butter. I ask the Government to say honestly: Have you made any exchange for the produce of our country like that? Sir, we are often told that there are trade treaties. I ask in all fairness whether there is any treaty which has been broadcasted or made known in this country and with regard to which the agriculturists and commercial people are made known as to what their opportunities and rights are. I am afraid, perhaps most of these treaties that have been entered into in the name of British Empire are not known to the Treasury Benches. I would not have made this statement if I did not have instances to prove it. Only a couple of days ago while I was discussing in this House the question of Indians overseas, I wanted to know the position of Indians abroad, and I asked a question as regards the condition of Indians in Germany, France, Italy, Japan and other places. The reply was that the time and labour involved would not be commensurate with the usefulness of the information that was required. That is the deplorable sort of answer that we get. You who demand from me all sorts of

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allegiance will not tell me what my condition is. What would be the position of the Treasury Benches in any other part of the civilised world I shudder to think if they were to give replies like this? If a Member of the House of Commons were to ask about the condition of an Englishman in any remotest part of the world and the Foreign Secretary or Minister said that there was nothing worth inquiring about, I am sure that Cabinet would have had to go away immediately. I will give you an instance what happened very recently, and you will find what interest even the smallest nation takes in the welfare of their people, leave alone Great Britain, where every British subject born in England has got the whole great navy and army at his back; the whole Cabinet is his servant and his most loyal servant. But that is not our position present Government and I wish I were born in England rather than in India under the British. Now let me tell you what happened the other day? A young business man has been appointed Consul for the state of Monaco somewhere in Europe comprising about four states and our Government acknowledged that Consul as "His Excellency So and So". I made enquiries about this and found that not more than two persons have come from that small State into India to do business and a Consulate has come. Compare this.—what are our Government doing?

The Honourable Sir James Grigg: Do you want a Consul in Monte Carlo?

Mr. Husenbhai Abdullabhai Laljee: I want a Consul in England and not a High Commissioner. This is what the poorest State can do and the mighty Indian power under the British cannot do.

Now, Sir, coming to industries, I must say that recently some attempts are being made to protect industries. It is necessary that our industries should be protected, and howsoever the Finance Member may not like it, I am sure he will have to give protection. Now, Sir, in this protection I should also like to ask the Finance Member to consider what policy Great Britain has been adopting. Are you adopting the same policy in India? If not, why? Sir, we know very well the mercantile marine that exists in Great Britain. Does that industry require any more Government support or help? But still what do we find? Only a couple of years ago, the great ship "Queen Mary" was built. Government gave millions of pounds and guaranteed the return. Why? order to keep that industry the best in the world. Are you doing the same thing when you afford protection to our industries? Sir, when at the International Labour Conference I said that it takes our Government months and sometimes years to consider the question of protection, my friend, Sir Joseph Bhore, then representing Government said, "Oh we have a Tariff Board and our Tariff Board recommendations are carried out by Government; the Tariff Board is always there and is ever vigilant", and so on. But is that a fact? Is this a fact? How much time it takes to appoint Tariff Board and how many recommendations of the Tariff Board have been carried out? I also want to ask, why is it that Government still do not realise the necessity of protecting our industries? It may be, and I am quite prepared to concede that at times they are right in saying that the industries ought not to exploit the masses, i.e.,

they ought not to be allowed to profiteer; but there is a way out of it, a simple clear way: and it is this: you have got a protection Bill with regard to salt: in that it has been laid down that there is a protection against the foreigner, but at the same time a clause is there that the manufacturer will not sell at a higher price than is laid down which is a reasonable fair price. There is the clause that the highest price at which the manufacturer can sell is fixed. You do the same thing with regard to most industries. Nobody can challenge your rights there. If you think the consumer is being exploited more than he ought to be, you can provide, as stated above, a fair return but at least try and give some protection and save the drain from the country. With regard to sugar, you have put this excise duty as you think the industry will be able to pay. At the same time the Honourable the Finance Member does not seem inclined to put a corresponding increase with regard to the imports from Java or other places. He probably thinks the barrier already put is sufficient; but let me tell him that I know, as a man who has been in the commercial line for some years, that the Dutch Government and other Government are prepared to give subsides, are prepared to give facilities to the shipping companies for obtaining special rates: the Java Government are even prepared to give the Java sugar companies special credits and concessions. This is the position which every nation takes to keep up its industries. In all fairness, you must put a corresponding duty, and if you think the manufacturers will exploit consumer, you can fix the maximum price as well. That is a fair way of looking at the thing, please adopt a fair course, it is your duty to do all you can by Indian industries.

Take the case of the matches industry. For years and years, we were purchasing foreign matches worth crores of rupees; and Government did not lift a single finger to do anything whatsoever to establish it. During the war, a high import duty had to be put for revenue purposes. As a result thereof, the match industry was established by Indians in India, and crores of rupees drain was saved, but the foreigner soon followed them in India. Immediately, and probably rightly—I have no grudge— Government also came forward to take their share from that industry and put up an excise duty. But now what is the actual position? First of all, Government have not been a party to establish this industry: Government did nothing. You had perforce to put on a large import duty on matches for revenue purposes; and as a result thereof, by the endeavours of Indians, that industry has come. Then you put an excise duty. But what further have you done in the matter? Nothing. The foreign firm which followed the Indian in India is going on extending its manufacture in India and the poor Indian firms and manufacturers are winding up their shows with the result that out of 13 factories in the Bombay Presidency only four or five are now existing while, on the other hand, the foreign company is getting more and more firmly established: mind you, Sir, this is the very company which was taking away for years all the money for matches that came into India. But all this is not the care of our Government. If this continues the day will come when with these two crores of excise duty the Indian manufacturer will go, and then this very firm will go away. Is it fair on your part, is it not part of your duty to see that these Indian concerns get a fair treatment and a fair return? The Tariff Board recommended a marketing board. Nothing has been done. The Tariff Board recommended that this foreign [Mr. Husenbhai Abdullabhai Laljee.]

company should have limited production. Nothing is done to watch that. And what is going to be the result of all this? The result will be that there will again be a drain from this country of crores of the value of matches and a loss of two crores of excise duty and unemployment of hundreds of poor Indians.

What I have been asking the Government to do is what exists everywhere and even is being done in India itself before their very eyes. Look at the developments that are taking place in Travancore, Cochin and Mysore States. Loans have been taken by most of them from British India and from the public to the tune of 50 lakhs, 60 lakhs and 30 lakhs. earmarked for industrial development in their states. All those loans have been taken with the permission or consent of the Political Department of the Government of India. If they have not cared to read all this in newspapers, they certainly know officially as all the money, they have borrowed, is after intimating to the Government of India. The object has been intimated. What have our Government done for us? What help have our Government given us for any industry, any financial kelp and any protection? Are you not even sufficient good enough to run with the Mysore State or the Travancore State or with the Cochin State? Why, even Bhopal a fortnight back, or so, has floated a loan of 20 lakhs, or so, for industrial development. One-third of Central India under Indian States has realised their duties let alone the Kathiawar States which have advanced more. Every Kathiawar State, for the last ten years, has so well organised its people and its revenues that they have gone up in prosperity by leaps and bounds, while our people and our revenues are going down, all this is not only by reason of the customs duties but also by their development. Take steel imported from Europe. If I were to import steel worth one lakh of rupees in India, I would have immediately to pay not merely that amount, but the duty also. If I were to import it through Bhavnagar or other Indian State, the State Bank would immediately lend me 90 per cent. of the value: they will not charge me duty unless and until I remove the lot: and they allow me to move it in small lots

The Honourable Sir James Grigg: Exactly what I complain about!

Mr. Husenbhai Abdullabhai Laljee: But they do it and you do not do that. What they do is what every one in the world is doing; why do you not do it in India? It is being done in Europe, in every part of the world: and why not in India? In short as I said a man with 10,000 rupees can do the business of 130,000 rupees in an Indian State: he has only to pay 10 per cent. and that is all at first. How much income-tax it would bring by such a turn over to the Finance Member! That, of course, he would like to have. But he will not move in the matter of facilities or protection or encouragement to our trade, commerce or industry.

Sir, it has often been said by a good many people both in England and in India that it is not right that the Government should have control over certain industries or that they should run some industries themselves. It is a very big question, but surely certain industries have to be run by Government like the industry of making spirits. Now, Sir, we, in India, derive engages revenue from the sale

of liquors and spirits, and I wonder why Government should not take up the manufacture of spirits and liquors making all provision to see that smuggling does not take place. Sir, in the Bombay Presidency, country liquor is manufactured by the Bombay Government. We have in this country an abundance of material

The Honourable Sir James Grigg: For making champagne.

Mr. Husenbhai Abdullabhai Laljee: I don't want champagne, you can make rum from the sugar molasses. My country cannot afford to consume champagne, but we shall be quite satisfied with rum and other spirits for use, and I would advise Government to take up the manufacture of these spirits that will give revenue, income and employment as well.

The Honourable Sir James Grigg: It is the champagne which yields the revenue much more than your country liquor.

Mr. Laichand Navalrai (Sind: Non-Muhammadan Rural): That gives headache.

Mr. Husenbhai Abdullabhai Laljee: I would advise. Government to produce only such liquors and spirits as will be consumed and used readily in my country, because that would be a business proposition. You have got sugar molasses and the like, and they are a great asset for the manufacture of spirits. These molasses are now being wasted absolutely. When I asked the Japanese people about spirits, they said that not even a drop of cologne water would be allowed in their country from outside because they themselves were manufacturing spirits. Japan is doing it, while ir India we sit with folded hands. I do hope that Government will consider this and similar questions seriously, because unless until some ways and means are adopted by Government to increase the purchasing power of the people and revenue they will always have to cry over their budget, and they will also have to consider whether all this burden that they expect us to carry, although we do not want it, could be carried by us at all, because we cannot bear even the present burden. Sir, the time has come when the Government have to consider very seriously to increase the purchasing capacity of the agriculturists in this country, above everything else I have said it and I repeat.

Now, Sir, before I sit down. I wish to make one more appeal, and it is this. The condition of Indians overseas, Sir, is getting worse and worse every day. I may tell the Government quite frankly that those people who have gone there have done so voluntarily and willingly, they have traded there in their own personal capacity and with their personal influence, there had been no need for the employment of the army or the navy, nor was there any political officer to back up the case of our Indian brethren overseas. Now, Sir, we are told that they are being forced to return to this country. What will be the result of that? They did not go there with the help or backing of anybody. They have gone there by their own enterprise. Now the moment they come back to this country they will tell the people that India was the country which was selling through them all her raw material, and naturally the agitation created

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would be overwhelming. They will impress on the people out here that they had not wasted their years in the colonies in vain, nor for their own advancement only, but they had done everything to advance the trade and industry of India. Therefore, I say that if those who are responsible for the policy of the British Empire abroad feel that all Europeans have got a right in Africa, in Asia and in India, they are greatly mistaken, and above all, the party who will suffer the most, whom I expect to suffer the least in India. will be the British people. They have allowed foreigners to exploit in India, and when we say that we will tolerate all, it does not mean that we can tolerate all. Don't take upon yourself the responsibility for all the foreigners. Why do you allow them to exploit our country? Therefore, I say, Sir, that unless and until Government think out fresh ways and means for increasing the purchasing power of the masses and of maintaining Indian overseas these deficits will continue, and the condition of the country will go from bad to worse, which will not, be tolerable.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rusal): Sir, this is an eccesion when one can ventilate all the grievances of his constituency, but I shall confine myself to the issue which we have before us at present.

Sir, we are faced with the big question of the new sugar excise duty, and I want to examine it closely and point out what effect it will produce on the agriculturists of this country. In my province, and I shall confine my remarks only to those provinces which grow wheat, leaving the question of rice growing provinces to be dealt with by better hands. Sir, my province is a wheat growing province. Recently we have seen that the price of wheat has gone down so low that the wheat grower could not produce wheat with any advantage. The result was that in my province the land revenue had to be brought down, some remissions were made, because the zamindars had to suffer a great deal owing to the fall in the price of wheat and other agricultural produce,—in fact we cannot realise even eight annas out of a rupee from our tenants. This is because the man who grows wheat is not able to sell his produce even for the money he had invested for the growing of wheat. The result of this has been a steady decline in the prices of all commodities, unemployment and the influx of rural population into urban areas, which is naturally causing anxiety to Government also. There was no solution for it, until the sugar industry came into existence which gave some employment to a few thousands of people. The lands which were left uncultivated for years because wheat growing was not profitable were utilised for the purpose of growing sugar-cane and with the protection of sugar a lot of sugar factories sprang up and came to the relief of a large number of the rural population. People began to grow sugar-cane on better soils. The Honourable the Finance Member might know from his experience in his Department,-I see Mr. Lloyd sitting behind him, who can tell him that it is the best kind of soil in the village that is utilised for sugar-cane. You require a fully irrigated area, an ordinary soil which is not properly irrigated cannot produce sugarcane in good quantity. In alternative years they used to grow wheat and sugar-cane, but with the depression, at the prevailing prices no wheat grower could grow wheat in a soil which could not produce at least four

maunds to a kacha bigha, which means about 12 maunds to a pucca bigha. Therefore, when everybody took to sugar-cane, the Government of the United Provinces thought that all the factories might combine and give low prices for the sugar-cane, and, therefore, they fixed a minimum price which the sugar-cane grower, that is, the cultivator ought to get from the sugar factories, and these prices were generally fixed with reference to the prevailing rate of manufactured sugar in the country. That came to the relief of a large number of the village population. This protection gave a great impetus to the cultivator to start growing more and more sugar-cane. But what was the condition last year? Excessive rains, not only during the monsoon but even after it, have destroyed a great portion of the sugar-cane crop in the areas which were flooded with rain water, especially in Rohilkund and other Divisions in the U. P. on the eastern side, where the floods destroyed about 50 per cent. of the crop. Therefore, the cultivator is not in a happy position.

What is this excise duty which the Honourable Member is proposing? I want to submit to the House that this proposal to enhance the excise duty is a device to take away the protection which had been given to the sugar-cane crop. The import duty, up to now, was Rs. 9-1-0 and the excise duty was Rs. 1-5-0, that is, there was a difference of Rs. 7-12-0. Now what the Finance Member is proposing to do is to raise the excise duty to Rs. 2 and he proposes that the difference between the excise duty and the import duty should be Rs. 7-4-0, so that instead of a difference of Rs. 7-12-0 it will be Rs. 7-4-0. That is to say, he is giving eight annas profit to the importer as against the producer in the country. If the Honourable Member had made a similar increase in the import duty, it would be a different thing. In other words, it means this that in one breath he is giving protection to this industry and in another he is taking away that which he is giving. This eight annas difference means a reduction in the import duty as compared to the excise duty. The Honourable Member wont have a crore and so many lakhs from the excise duty, but he will get it from the import duty and make up the deficiency.

Pandit Nilakantha Das (Orissa Division: Non-Muhammadan): How do the internal prices and the imported prices compare?

sir Muhammad Yamin Khan: By a reduction in the price of imported sugar, by eight annas per cwt., there will be more temptation for the importer to import sugar from outside, there will, therefore, be a lot of imports, and the revenue from import duties will increase, and the Honourable Member will make up the deficiency in the decrease in the excise duty, because I think it would be next to impossible for him to get a crore and so many lakhs from the excise duty especially when we have got only a month and a half more for our produce and already manufactured sugar is in the market and this import duty will not affect the prices, because there is a sufficient quantity of sugar in the Indian markets to supply the needs of India for another year and the people who have purchased at low prices will not mind but would like to sell quickly their produce. The net result of this will be that next year a lesser area of sugarcane will be grown and the people of the wheat growing provinces in India who had been thrown on sugarcane growing will not find anything to their advantage. That will

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increase unemployment and will ruin industry, zemindars and tenants; all agriculturists will be destroyed in my province at least. The Honourable Member may say that if he would not derive any income from the excise duty this year, in these 1½ months, he will at least have the advantage of getting it next season, that is, from October, 1937, to April, 1938. That duty may come certainly, but the natural effect would be to kill the industry which had been established by the promise of the Government that they will give protection.

Another objectionable part of the proposal is the Khandsari sugar. We had opposed even in the previous year any imposition of duty on the Khandsari sugar but what do we find? While the increase in the factory manufactured sugar is from Rs. 1-5-0 to Rs. 2 that is about 50 per cent. increase, we find that the Khandsari sugar has been further taxed from ten annas to Rs. 1-5-0. That is there is an increase of nearly 110 per cent. That is not desirable to anybody. I can assure the Government that it is impossible to increase their revenue in any way when the purchasing power of the people is decreasing. The two things are absolutely contradictory. The best policy which the Government should pursue is to increase the purchasing power of the millions of people living in the rural areas.

Now, India is paying for half of its imports by the sale of gold. There was no other way to make purchase, but how long will this gold be drained from the country. The poorer people had been tempted to part with their gold and to get instead manufactured goods from countries abroad but there must be a limit to this. The time has now come when we won't have any more exports of gold even if the gold rises to a rupee or Rs. 2 per tola. The poorer people are becoming absolutely bankrupt and starving, and the natural result will be that these Benches (looking at the Congress Benches) will be swelled in future. I am sure, the Congress must be thankful to the Government for what they have done. Government would not listen to the proper advice at the proper time. Government must open their eyes and see what is going on in the country. They are destroying the economic position of the people. The Congress has won its victory not so much on account of their politics but on account of the bad economic position of the people.

An Honourable Member: Love of freedom.

Sir Muhammad Yamin Khan: My friend may say that, but the real position is that the villager wants bread more than anything else. He is now starving and the policy of the Government is to make him starve more and more. One gentleman asked me why is it that the baniya who has so much prospered under British Government is opposed to the Government. I said that the baniya is a shrewd man like the English people. They must along go with the times. They find that it is no longer profitable for them to join the Government. They find it more profitable to join the Congress. He makes the best advantage of the time. The times are changing. The chief cause of the destruction of wealth in India is due to the money lending policy which had been adopted.

The Honourable Sir James Grigg: Not the excise duty on sugar?

Sir Muhammad Yamin Khan: The baniya had strangled the villager and now the Government comes in to complete the work by giving a blow to the villager on the head and killing him. An investigation has to be made as to what are really the causes which have brought the people to this condition. The policy adopted by Government during the last sixty vears has to be changed. It was a wrong policy to allow unlimited usury in the villages. The man who produces has to pay more than 50 per cent. of his income in the shape of interest. The Government are allowing the other man to rob the poor man. We have pointed this out year after year. Although the income of the cultivator is being drained away by the other man Government would not do anything to help him. And not only this, the Government says, "the loot is coming and we also will join in the loot, we will join hands with the looter, and will loot the poor man". Sir, that policy ought to be stopped. The villager must be convinced in a concrete manner that the Government really are sympathetic with them,—not by some kind of so-called rural uplift scheme, a little bit of stir here and there. I can assure the Government that that is not appreciated by the villager, and these things are not taken any notice of. The real crux of the problem is the employment of the surplus population in the villages. Sir, in the villages men cannot find any employment; the people are starving. If one man has got a few acres to cultivate, he has got about half a dozen people to feed on those paltry acres. That population must be provided with some kind of employment. Some such employment you did give just for once, but you now propose to take it back again. That must, therefore, create a great agitation. Having given some poor little advantage to the people which they began to enjoy, you now propose to take that back. Well certainly that will have a serious effect on the minds of the people. Here you have allowed the village population to grow sugarcane; you have thereby helped to create some employment for them; and now you show your anxiety to kill the smaller industries. Sir, those words of the Honourable Member will go round the villages, those unwise words that his anxiety was to kill the smaller industries, and will create a very bad effect. Probably he uttered those words innocently but they were really undiplomatic words. . . .

Mr. Muhammad Axhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): That cannot be his "anxiety", it will be his pleasure to do so.

Sir Muhammad Yamin Khan: Sir, those words were uttered after the elections; if they had been uttered before, I am sure my friends on this side would have made the best use of those words and would have exposed the Government that the anxiety of the Government was to kill the smaller industries, which after all are providing some kind of employment to the poorer people. These words may have been used in a light-hearted manner but the Government must be careful to see how they will affect the minds of the people in the country, in the circumstances of the present moment. Sir, by means of the sugar industry that was started, there ushered in a lot of employment for the people, and I say, Sir, that that ought to be encouraged to the greatest advantage. Sir, I have got a great regard for my friend, Sir Leslie Hudson, and I do not think he is a man of the kind that is always unsympathetic towards Indian interests but when he said.

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on behalf of his Party that they would welcome this sugar excise, I did not agree with him and I think he was mistaken. Sir, he should not, I think, have given this advice, and the Group which he leads should not give support to the Government in this proposal.

Mr. F. E. James (Madras: European): May I point out that the words used were not "welcome" but "are prepared to accept".

Sir Muhammad Yamin Khan: "Acceptance" means "welcoming the proposal".

Mr. F. E. James: Not quite.

Sir Muhammad Yamin Khan: I think in any case that Group should not alienate the sympathies of the people who really have so far not been antogonistic towards that Group. The village population has got no grievance. no axe to grind against any one, but to live peacefully and to get their daily bread. If they find that their modest aspirations are really going to be killed by any Group in this House, if they find that that Group is really unsympathetic towards them, that will create misapprehensions in their minds. Government, Sir, ought to concentrate its energies on this point that the smaller industries in this country should be encouraged in every possible way. In this connection, I may gladly say that the Honourable Member in charge of Industries and Labour has been doing his best to promote those smaller industries and to give every impetus for the good of the cottage industries, and it would be thanklessness on my part at the time of the retirement of my Honourable friend, Sir Frank Novce, to say that the Government have not been doing anything in this direction, because he has been doing his best, whatever he could do (Hear, hear), but we want his successor also to take up and promote this cause of encouraging the smaller industries of India so as to find employment for people who are starving, in the manner as my Honourable friend has been doing. other point which my Honourable friend, the Finance Member, ought totake notice of is this. I see my friend is leaving the House. Sir, with regard to the Reserve Bank of India, our anxiety had been that all the shares of the Reserve Bank should be given to the poorer people in India and should not be the monopoly of the richer people. The policy that was laid down by this House at the time when the Reserve Bank was constituted was that the Reserve Bank shares must be held by the poorer people, by everybody who could subscribe and not by the millionaires of one place or the other. But what I find is that there are all kinds of discouragement given to the rural population, to the poorer people to hold Reserve Bank shares, and it is in this way, Sir, the highest rate of income-tax is deducted from the dividend at the time of its payment. A poor man, say, a petty clerk under the Government, probably has a saving of Rs. 500 and holds five shares in the Reserve Bank. Now, last year for example, Government distributed about Rs. 13 and a few annas as the dividend and out of this they took away more than Rs. 2 as the income-tax,—and this from a man who has not to pay any income-tax at all!

Sir Cowasii Jehangir (Bombay City: Non-Muhammadan Urban): Hecan get a refund.

Sir Muhammad Yamin Khan: My Honourable friend from Bombay says, "he can get a refund". Certainly he can get a refund, in theory, but think of this, that he is living in a small district in the village, and that man, in order to get two rupees back, has to come to the district to apply to the income-tax officer in the district, and when he gets a certificate from the income-tax officer—and we all know the actual difficulties of getting such certificates—that he is not assessed to income-tax, he has to go back and apply again, for this sum of two rupees to be refunded back to him. All this process costs him at least Rs. 5 when he has to get back only Rs. 2. If he is living in a village about 30 miles away from the head-quarters where the income-tax office is, then he has to travel all that way and has to spend something on the conveyance and spend at least one day in finding out the method of applying and so on. Then he goes about knocking in the Income-tax Officer's office for the whole day and then he submits his application.

The Honourable Sir James Grigg: The Honourable Member is making a completely imaginary grievance. It can always be done by writing.

Sir Muhammad Yamin Khan: It can be done in writing by those people who know how to write, but I am talking of the village people, the small people, who do not know all the intricacies of the process which the Honourable Member has started.

The Honourable Sir James Grigg: I understand that in distributing the last dividend, the Reserve Bank sent a note to each dividend receiver. Perhaps the Honourable Member will now realise that the grievance, he is manufacturing, is completely imaginary.

Sir Muhammad Yamin Khan: I am not manufacturing any imaginary grievance. On the other hand, what has been told by the Assistant of the Honourable Member is absolutely wrong; his information is not complete. I have seen what the note is. The reply that is generally given is that no deduction can be given back unless the man applies to the Income-tax Officer, and, therefore, he has got to undergo all the trouble that I have mentioned. When he applies for the refund of the income-tax, he is asked by the Income-tax officer to fill in a form to show what his income is and also to produce his Bahikhata in support of his statement, which probably does not exist. He is put to all these hardships. Does the Honourable Member mean to say that a man will care to bother himself like that for the sake of Rs. 2 only? It may be very amusing to my Honourable friend.

The Honourable Sir James Grigg: It is not amusing to me at all. I can assure the Honourable Member that what he is saying is not a bit amusing to me.

Sir Muhammad Yamin Khan: They are not amusing to the Honourable Member but they are facts all the same which are happening in the country. I have not received this complaint from one man but from hundreds of men. I told the Honourable Member, in Simla, that something should be done in this behalf. Then, I tabled certain questions on this subject, and I asked the Honourable Member whether he proposes to do anything to mitigate the hardship of these poor people, but the reply was only "No" to these questions. After giving that reply in such a blunt manner, do the Government.

The Honourable Sir James Grigg: It was not given in a blunt manner.

Sir Muhammad Yamin Khan: This can be seen from the printed debates. If the Honourable Member wants to read his reply, he can see the Debate of the 16th February when these questions were answered. Well, Sir, my grievance is that we come here to make certain suggestion for the benefit of the Government and for the benefit of the poor people, so that there may not be any agitation against Government. But they would not listen to our advice, and still they want us to help them. How is it possible? These are two contradictory things. There must be mutual regard. If the Government are ready to help us, we are also ready to help them. But if the Government are not ready to help us, we are also not ready to help them. Government must be prepared to listen to some reasonable suggestions, but they are not ready even to hear the suggestions of those people who are ready to co-operate with them. If my Honourable friend spends only twenty minutes on this troublesome question as to how many people have not been able to get back their money, he will be in a position to realise their plight. He will then find that the money which has remained unclaimed with the Reserve Bank is about 80 per cent., and this has happened simply because poor people found that the trouble was too much to realise a paltry sum of Rs. 2. If the Honourable Member is still reluctant to pay any heed to the poorer people, then the representatives of the poorer people in this House will not find themselves able to help the Government even when they will be justified in receiving their help. If Government want us to be reasonable, they must also become reasonable.

I will now refer to another matter on which I have laid stress year after year. I have said many times that Government must put a stop to money which is being drained from this country in the purchase of motor cars. Some people may say that motor cars have become a necessity now. I admit it. They may have been a luxury in the past, but now they have become a necessity. When these motor cars have become a necessity, it should be the duty of the Government to see that they are manufactured in this country, and that huge amounts of money are not drained from this country to other countries, whether it be England, United States of America, Italy, France or Germany. As long as the money goes out of the country, it goes out of my pocket and the Government ought to find out some way of stopping it. In order to get some revenue, you should not encourage the import of motor cars. There are some rich people who can afford to purchase motor cars every six months or even every month; I have no grievance against them. But when they are tempted by the new designs, the money which is invested on old models is killed. So, the policy which the Government ought to pursue should be to give encouragement for the establishment of factories in this country or to stop the import of motor cars in such large numbers.

An Honourable Member: The Government will lose their import duty.

Sir Muhammad Yamin Khan: I do not mind if Government lose import duty. I do not want that any money should go out of India to other countries. When we have no liquid cash to pay, if we go in for these luxuries, we are forced to pay out of the accumulated gold. The gold is being drained from this country.

The policy of the Government has been in the past to allow motor lorries to run in unlimited numbers without any restriction. Road competition was encouraged. We find that on certain lines where there were not sufficient passengers even for five or six lorries per day, the Government without any check allowed 100 lorries to run. When 100 lorries began to run, people woke up and began to cry on account of loss. They found competition was so bad that they were ruined. This competition was allowed by Government simply because they wanted to get revenue in the shape of import duty on motor lorries imported from abroad into this country. The Government should look to the interest of the poor people before they desire to benefit by the import duty. If there were excess lorries it became unremunerative to ply them for hire. The Government, by their foolish policy of allowing unrestricted competition for the sake of increase in their revenue, allowed so many lorries to run which were running without any profit. The result was that the poor people were absolutely ruined. There began discontent in the country. The Government should take this factor into consideration. They should not allow the agitation of the poorer people to continue in this country on account of unemployment. If the turnioil should increase in the districts, it will be very bad day for the Government. Unfortunately, the Government of India are not in touch with the actual realities in the interior parts of the country. They sit quietly in a safe place like Delhi, but the district administrators who have to bear the brunt of the agitation will find themselves in hot waters. They are finding their position worse and worse from day to day. Unless Government take immediate steps to solve this unemployment problem, things will become serious for them. With these words, I conclude.

Mr. B. Das (Orissa Division: Non-Muhammadan): Sir, after the sugar coated pill which Sir Muhammad Yamin Khan, the friend of the Treasury Bench, has administered to the Front Benches on the Treasury Bench, I should like to administer a few real strictures to the Treasury Benches. Sir, earlier in the week, the Honourable the Finance Member tried to play the role of a prophet when he addressed the Congress Benches and asked them to take up office and to see what it feels like. We all know that, when prophets degenerate, they become witches and we know they were burnt in old days in England. When I was listening these three gentlemen who spoke from the front Treasury Benches, I was reminded of the story of the three witches of Macbeth. The Honourable the Finance Member hailed us, he hailed the Congress as the conquerors of the nation, and if I could summarize the three speeches of the three Government Members, they conveyed a threat that the Congress would be destroyed and check-mated after it takes office. Sir, I would like to analyse how the Government have fabricated the machinery, not from the political aspect, but purely from the financial aspect, to destroy any popular Ministry that might replace this Government, unless the whole Constitution is scrapped. Only yesterday, a London message gave out that the Government of India would shortly participate in the Imperial Conference, and that one of the gentlemen on the front Treasury Benches who spoke the other day, I mean the Honourable Sir Muhammad Zafrullah Khan, will lead the Delegation to the Imperial Conference. I was struck very much to note that among the subjects which the Imperial Conference will deal with were foreign affairs, defence, constitutional questions, trade, shipping, air communications and allied questions. There is a note to the effect that [Mr. B. Das.]

if anybody wants to talk about the Ottawa Agreement with the countries assembled there, he can discuss it privately. Sir, I wish to give a mandate to the representatives of India, if they really feel as representing India...

An Honourable Member: Does the Honourable Sir Muhammad Zafrullah Khan represent India?

Mr. B. Das: I am talking also of those people who will be associated with the Honourable Sir Muhammad Zafrullah Khan. I submit that if the Honourable Sir Muhammad Zafrullah Khan really represents India instead of the Government of India, he will have to register a strong protest to sit with the South Afrikanders in the same Conference unless South Africa concedes equality of treatment to Indians. I know Sir Purshotamdas Thakurdas, Mr. Birla and Mr. Kasturibhai Lalbhai will visit there, and one or two of them will be Associate Delegates to the Imperial Conference. As Sir Purshotamdas Thakurdas happens to be the President of the Imperial Citizenship Association, I do hope that he will fight for the recognition of the status of Indians at the Imperial Conference, and the first point that the Imperial Conference should take up is the equality of status of Indians in the Dominions. That is the first point. But whether the Honourable Sir Muhammad Zafrullah Khan as the leader of the Delegation will permit others to take up the question of foreign affairs and defence, I do not know, but I do hope that the Associate Indian Delegates will claim the right to speak out boldly and bluntly what India needs.

An Honourable Member: Are you sure they would do it?

Mr. B. Das: I am just giving them a mandate, and that mandate is not my own view, but it is the unanimous view of the Indian nation; even my Honourable friend, Sir Muhammad Yamin Khan, will sing to the same tune as he is already trying to sing this morning. That reminds me of what my Honourable friend, Mr. Husenbhai Abdullabhai Laljee, said yesterday about the raw produce conference at Geneva. He asked whether India was consulted. Did anybody represent India at the raw produce conference? Knowing as we do the European Imperialists whose policy is to divide up Asia as raw producing centres for the British Imperialists and also dividing up Africa into compartmental basis so that the European countries can get their raw produce, we need not be surprised that the Government of India were not consulted. If the Commerce Member at any time participates in these debates, though he is not present here, he will tell us whether India was consulted. But the policy underlying everything is the Imperialist policy of Britain and every other power that at present tries to rule in the name of European civilisation and which, thank God, Japan has controverted from the East. I was reading last night a book written by an American, Lamar Middleton, which is called "The Rape of Africa", and I came across a certain passage which I do hope the European Members of the Treasury Benches will bear in mind:

"The drift to war over Africa is unmistakable. That cheering outlook is the result 1 P. M. of sixty years of duplicity and chicanery practised by the chancellories of Europe. If a continent has been stolen from 140,000,000 natives, it is assuaging to remember that the fraud was committed in the holy cause of civilisation; and that in compensation the African is tasting the transcedent delights of chain-gangs, taxes, military conscription, flogging, gin, rum, jack-in-the-boxes and other booms of Occidental invention".

I should like the Finance Member to read this book; it is a very interesting book, and I will lend it to him.

Sir, we know why the Great War was fought and we know how the impending war will start. It has been started by Mussolini, and probably the new conflagration will spread in Africa. But the question is, are we going to be the cat's-paw of the Imperial Defence policy of England and bear this heavy cost of defence? In spite of Burma's separation, India has to bear almost the same expenditure as before,—only one crore has been deducted. Why should it be so? And if India sits with equal rights in that Imperial Conference as a member of the British Commonwealth of Nations, it behaves the Indian delegates to demand, before they participate in discussions on other subjects, that India's defence cost should be reduced and the Empire should bear its proper share. And if that is done, if a general reduction in Defence cost takes place, the Finance Member will not introduce new taxes and will give relief to the country.

Sir, the policy of the Finance Member has all along been to give subsidies to the British Empire and its colonies. My Honourable friend, Sir Cowasji Jehangir, suggested the other day that India should take steps to ask Britain to permit conversion of India's sterling debts. would request the Honourable Sir Muhammad Zafrullah Khan and the Indian delegation to request that India be allowed to convert her 100 crores sterling debts carrying interests of four per cent. or higher rates; and if England really wants to be friendly, it should take steps to convert these loans, in the same way as it came to the help of Australia. Incidentally, I may suggest to the Finance Member to convert some of the rupee loans, about 100 crores, which are not falling due shortly but after 1939,—they are 4, 4½, 5 and 5½ per cent. loans amounting to about 123 crores. And if Sir Cowasji Jehangir and his friends can suggest to Government the conversion of sterling loans, the Finance Member can appeal to the Indian rupee security holders and we will join him in that appeal, so that they can convert all these rupee securities into 31 per cent. or three per cent. securities as will be the rate of the present loans.

Sir, I was saying how England is compelling the Finance Member to give subsidies. Though the separation of Aden has brought a saving to the Defence Department of 20 lakhs, England in justice ought to have paid India the cost of development of Aden to the tune of ten crores—the money that was spent there during the last 50 years. Because England is a superior power, she grabs at Aden and does not pay India any compensation. I do hope the delegates will bear this in mind. Some of them were members of the Round Table Conference and probably raised it there and failed miserably.

Then, I will speak of the unholy subsidy to Burma of about six crores of rupees. Burma should bear $7\frac{1}{2}$ per cent. cost of the defence of India, and it should not be allowed to go off lightly, because the British Government orders our Finance Member to allow Burma only to pay, 1,04 lakhs. So Burma must pay 2,33 lakhs more towards the cost of defence. If England does not want Burma to pay, then the Finance Member can demand it from the British Government. Another thing is that Burma, by its separation, has gained 2,33 lakhs from customs revenue. This is a loss which India is suffering, because England wills that Burma should be separated and enjoys advantages through the compulsory Indo-Burma Trade Agreement, and perforce India must pay a subsidy for Burma's

[Mr B. Das.]

welfare. And yet there have been questions on the floor of this House; there has been an Indo-Burma Trade Agreement and yet the Burma Government somehow finds a loophole in that trade agreement and has enhanced the postal tariff. Sir, I asked a supplementary question this morning on behalf of the 11 lakhs of Oriya workers that work in Burma and go every year twice to and fro and also on behalf of the 3½ lakhs of workers from Madras to Burma. I plead on behalf of these poor people that for three years at least the Government of India should not be a party to this unholy exploitation of the poor Indians who live in Burma. On both sides these people will not be able to write letters to each other at the enhanced Empire rates. The Honourable Member for Industries knows, coming as he does from Madras, how poor these people are and how difficult it is for a poor man getting Rs. 25 a month and maintaining a large family to write letters both ways at this high rate of enhancement. Speaking on behalf of the commercial community, I will say that Government have deliberately done it and if the Government of India are a party to it they have deliberately introduced this mischief so that the Indian business men will lose their trade and custom. My friends, the European businessmen, have got their head offices in Europe and so they do not bear the extra cost of postage when they correspond between India and Burma. And this is a deliberate handicap placed on the Indian businessman and yet the Indian Government sacrifices 6 crores of rupees to please their British masters, so that Burma will have the privilege of calling itself an independent dependancy of the British Empire.

Then, Sir, I come to the forced subsidy that the British masters of the Government of India have forced it to give to the Indian States. I do not think that the Indian States pay sufficient revenue under Customs. On the other hand, they smuggle a bit out of it. They are to bear onethird of the cost of defence, the whole of the expenditure under Political, Foreign or similar reserved departments of the Government of India, or even for the paraphernalia of the Vicerov and his sumptuary allowances that are maintained only to overawe these Indian States and they do not pay their share of expenditure. Gentlemen present here, as ex-members of the Round Table Conference, may recollect that one State representative was influenced by the British Government to bring forward a suggestion that the provinces should not get financial relief from income-tax unless and until they pay 13 erores to the Central Government. Sir Akbar Hydari also suggested that for ten years the States will not pay any income-tax to the Centre for increased Federal expenditure. Why should it be so? Why should the provinces pay for ten years this full income-tax to the Centre in order to subsidise the Imperialistic policy of England and the Government of India, while the Indian States will not pay a penny, but will dictate to us and hector over us from next year or the year after in the Federal Assembly? This is a deliberate subsidy to the Indian States. to create further dissensions between British India and Indian India; and we shall be no party, in spite of Statutes and parliamentary legislation, to this further subsidy to the Indian States. We may hear from the Finance Member at a later stage how far the Indian States are purloining the customs revenue by rebates or otherwise-I refer particularly to the maritime States of India. What right have they to bring out from their archives. some musty Sanads and treaty rights to claim a share of customs receipts, I do not understand; and I think in all fairness they ought not to have

any share at all. On the top of it, some States smuggle dutiable goods and cause loss to Central receipts.

I refer to these questions of subsidies whereby the Government of India are spending 25 to 30 crores of rupees more than is necessary merely to subsidise Britain's Imperialistic policy: and yet, if this money is released, it will go to the Government of India themselves to do some good in their centrally administered areas and also it will filter down to our provinces and we could do the greatest amount of good to the people from whom the money is extracted. We know how the hapless provinces have been left. Talking of my own province, the poor baby province of Orissa, I pleaded last year that the 40 lakhs that Sir Otto Niemeyer had given was a mere fleabite: it amounts to seven annas per capita, and it brings the income of Orissa to 1,63 lakhs; while the province of Sind with a far lesser population gets 1,05 lakhs and the Frontier Province gets 1,00 lakhs. In other words, Orissa gets seven annas per head, while Sind gets Rs. 8 per head and the Frontier Province Rs. 4 per head. I am not jealous of Sind or the Frontier Province, and I am not saying these things.

- Mr. Lalchand Navalrai: Do not grudge us.
- Mr. B. Das: Please try to listen to me and understand what I amsaying
- Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better continue his speech after Lunch.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta). in the Chair.

- Mr. B. Das: Sir, before the recess, I was speaking how the delegates from India at the Imperial Conference in London should not only demand equal status with all the member bodies of the British Commonwealth of Nations, they should not only demand restitution of rights of Indians in South Africa, but they should at the same time demand from England that the financial responsibilities that have been imposed on India on behalf of Aden, on behalf of Burma, Indian States and also the British Empire defence to the tune of 25 to 30 crores should be removed, and that it should be paid by Britain, and that money should go for the assistance of provinces in India. Sir, the provinces in India have got a revenue of 82 crores, of which 30 crores are paid in land revenue and 19 crores are paid in excise. The poor people are made to drink country wines and toddy
 - Mr. M. Moninated Non-Official): They don't drink wines.
- Mr. B. Das: I mean toddy and country liquors, and Provincial Governments get 19 crores to carry on. They get another 13 crores from stamp duties, and these thirteen crores are secured when people sue each other in law Courts, and it is a direct tax on the litigants. Sir, it shows what

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is the paying capacity of the people and how they are mulcted. I will again give the House figures showing the spending powers of the Government, their receipts per capita and their expenditure on nation building departments. I gave those figures last year, but I shall give them this year as well.

Province.		Per capita income in 1935-36.			Amount spent on nation building departments.		
	ĺ	Rs.	8.	p.	Rs.	a.	p.
Bombay and Sind		6	11	0 -	1	4	8
Punjab .	;4	4	7	8	1	3	2
Madras	. 1	3	8	3	.0	15	0
Central Provinces and Berar		3	1	7	0	9	0
Assam	.	3	1	· 7	0	H	0
United Provinces .		2	7	10	0	9	3
Bengal .		2	5	4	o	8	5
Bihar and Orissa	.	1	7	2	0	6	3
North-West Frontier Province		8	0	6	1	5	7

Mr. N. M. Joshi: So Bombay is the best.

Mr. B. Das: And still you howl here.

Mr. N. M. Joshi: We pay more and spend more.

Mr. B. Das: Now, Sir, in spite of the 40 lakhs grant or subvention from the Centre, Orissa has an income of Rs. 2 per head, and we will go on spending Rs. 0-6-8 on nation building departments. I may be asked what will happen to those 40 lakhs. This amount will just cover the expenditure of the paraphernalia of a Governor, the Legislative Assembly and other incidental expenditure. That is the condition of the provinces, and yet our Finance Member says that there is recovery of prices, that things are improving and there is a silver lining in the cloud. The only way by which the provinces will be benefited will be when the Government of India would be bold enough to get back these 25 crores from Britain and release the amount to the provinces on a population basis.

As regards the recovery of prices, it may be that in certain provinces prices of certain commodities are rising, but they have not risen to the same extent as they have risen in European countries. In his own country I read a day or two ago that the index prices of articles used by people have risen, but in India the index prices of articles have not risen so much, because the earning power of the people has been so very little. How can the poor villagers earn? Because whatever they get from their land they

pay it back in the form of land revenue, excise duty and stamp duty to the Provincial Government. I do not plead here the case of the provinces. I raise this issue to enlighten those delegates of the Imperial Conference so that they may lay stress on these points as equal partners in the Imperial Conference and not as subordinates sitting in the back benches and coming back with a dinner or lunch. Only this morning, my friend, Mr. Husenbhai Laljee, pointed out how Britain was developing her ship building industry, her steel industry, the textile trade and other industries by giving subsidies, and rebates to their national shipping concerns, so that not only trade develops, but the earning capacity of the people also increases, and there is recovery of prices.

The next item I should like to discuss is the debt position of India. At the outset I would ask the Finance Member why he omitted a particular statement that this House has been accustomed to get so long. In the explanatory memorandum of 1936 at pages 40-41, the debt position is analysed. This year it has been dropped out, and if we have to look to the debt position, we have to calculate it from the interest table given at table 5, page 5 of the 1937 Memorandum to find out the loopholes and to catch the Finance Member

Mr. N. M. Joshi: Ignorance is bliss.

Mr. B. Das: Sir, I would ask Honourable Members to look into the statement for 1936, and there they will find that India has got an unproductive debt of 200 crores. It was the year ending in December 1936. From 10.50 crores in 1935-36, I find in these interest tables that the total interest payments and other obligations came to 9.66 crores for the year 1936-37, but for the year 1937-38 it has become 11.12 crores.....

The Honourable Sir James Grigg: I can easily explain that to the Honourable Member, because the Niemeyer Settlement involved a considerable cancellation of provincial debts. The Honourable Member should be rather more careful not to find traps for me.

Mr. B. Das: Is it to the extent of 31 crores?

The Honourable Sir James Grigg: And Burma too has been separated.

Mr. B. Das: But it does add to our debt. However, that is part of the explanation.

The Honourable Sir James Grigg: The Honourable Member cannot tripme in that way. If he had looked into the matter a little more, he would have found what he wants, in the explanation at page 28 of the Financial Secretary's Memorandum. He should be careful not to find traps wherethere are not any.

Mr. B. Das: I raised it as I did not find sufficient explanation, but I take it that the Honourable the Finance Member is assuring me . . .

The Honourable Sir James Grigg: May I read the explanation and ask if it is insufficient?

"The estimates for next year exceed the current year's revised by 1,46. If, however, allowance is made for the increase of 1,43 due to the separation of Burma and 90, due to the Niemeyer Award and alterations consequent upon the introduction of Provincial Autonomy, the estimate for next year is 87 less than the revised estimate for the current year."

Is there anything very difficult to understand in that? Is there anything inadequate in that?

- Mr. B. Das: That means that the Honourable the Finance Member has not increased the unproductive debt? There has been no increase on the non-productive side?
- The Honourable Sir James Grigg: Of course, there has been an increase in the unproductive debt, because we have wiped out some of the debt due from the provinces and we shall no longer get payments in respect of that. The cancelled part now appears as the unproductive debt of the Government of India.
- Mr. B. Das: That means a new obligation on the Government of India. I would suggest that the three crores that is set apart for reduction and avoidance of debt—part of it should go to write-off those debts that are being cancelled of the provinces. I am only suggesting a way of expenditure of the sinking fund of the Government of India.
- The Honourable Sir James Grigg: I understand the Honourable Member wants an increase in the sinking fund provision. That is already earmarked.
- Mr. B. Das: That can be readjusted. I have already suggested in the earlier part of my speech that the Honourable the Finance Member should take steps to persuade Britain and also the investor section of India to agree to the conversion of sterling and rupee debt carrying higher interest to the present interest level of 3 or 3½ per cent. That is the only possible way, specially that is an acid test of the patriotism of the capitalists of India.
- The Honourable Sir James Grigg: I would be grateful if the Honourable Member could explain how it is possible to convert a debt from a higher to a lower rate of interest long before its maturity?
- Mr. B. Das: Will the Honourable Member invite Indian investors that in the interest of public finances and in order to secure a better credit. . .
- The Honourable Sir James Grigg: Voluntary repudiation—I see, I have got it!
- Mr. B. Das: I am only asking these investors to convert their loans into 3½ per cent. from the 4 and 5 per cent. loans that they at present possess. That is all. I am asking them to convert and if they are patriots, they must convert!

I will now conclude my speech by referring again to a subject which I was discussing the other day. For want of time I could not enlarge on it. I made certain suggestions, and I was asking the Honourable the Finance Member to add to his receipts by imposing new taxation. I suggested five per cent. tax on gold export and excise duties on cigar and cigarettes. One or two more items I wish to suggest today. I find that the estimates on the iron and steel import duties have been underestimated. The Honourable Member can easily imporve on it. The Honourable Member has pointed out that the anticipated customs receipts on British textiles have not materialised. One of the reasons why the duty was reduced was because the Finance Member expected a larger return; yet that expectation has been falsified. I would strongly suggest to my Honourable friend that he should enhance the duty on the British textiles so that he can get a much better return. (An Honourable Member: "By abolishing the five per cent.") Yes, that is what I mean. That is all I have to suggest about new taxation to the Honourable Member.

In conclusion, I would suggest that the Finance Member and other Members on the Treasury Benches should not treat lightly the observations that I have made about the mandate to the delegation of the Imperial Conference. As a member of the bureaucracy the Honourable Member may laugh at us and say, "We have no right to give that mandate to the delegates to the Imperial Conference". If newspaper version be true, the delegates will be mostly Indians, and the Honourable Member knows the trick. If we have to condemn we will condemn our Indian friends and he will go scot-free. He will say, "It was all your Birla, your Purshotamdas, etc., and what more do you want?" I do hope that when the Executive Council considers this problem they will bear the interests of India at heart and that those gentlemen will be bold enough to speak out what India demands.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): Mr. Deputy President, we are now at a stage of the ceremony where we can, in accordance with established practice, discuss all manner of grievances on the principle of grievances before supplies. But I will not make the chapter of grievances too long; at least, I hope to do it in a manner that will not tire out the patience of the House. Sir, I characterise it as a ceremony, a soulless, formal State ceremony, and the successive stages of it can also be very easily and very surely told. It started with the statement by the Finance Member of certain figures showing the amount he wants from the country for the payment of the different establishments in the various departments of the Government of India, and also indicating the ways and means by which he would ask the House to foot the bill. Immediately after that, bulky volumes were handed over to us which we carried as prize winners in a prize distribution ceremony, to be assimilated, if possible, within the brief space of 48 hours. Then followed shoals of cut motions, ostensibly seeking to focus the attention of Government on all manner of subjects, out of which half a dozen token cuts were finally selected, debated and voted upon. Then came this stage; and the subsequent stages are, after we have succeeded in making angry speeches and piling up some grievances, having occasional interjections and interruptions from smiling faces on the Treasury Bench, jumping up and giving quick facile explanations,—we reach the amendments, all or some of which are carried. We are then to be told that no effect is going

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to be given to any of them and the thing then comes again in another form, the recommended form as they say, and when the House is in no mood to accept it, comes the final ukase of certification, and the curtain is rung down. It is this ceremony which is facetiously, which is euphemistically, called in this country, budget presentation, budget discussion, Finance Bill debate and Finance Bill voting. Year in and year out, there is a mechanical repetition of this whole stereotyped process.

One very remarkable thing about the Treasury Benches we have noticed this year is, a change, if, not actually, a complete change of front, but some change. We have noticed a change in the manner of expression of their view points, a change which has come to us more as a sort of agreeable surprise than any thing else. We have noticed a sort of studied restraint in the expressions they use and in replying to a censure motion. they go out of their way and say "Look here, the chance now is open toyou. You take up offices under the new Constitution, and you will have the panacea for all the evils for which you have been complaining against We had this sermon on the virtue of office acceptance from that side of the House. We rubbed our eves in suspicion and said "What are things coming to?" For, after all, the country has known this Government too well to be easily taken in by what it says. It may be a fortunate or unfortunate fact but the fact is there. The vast majority in this country are apt to interpret the actions and wishes of the Government by contracies. Whenever the Government say that such and such thing is good for us, that we ought to do this and not do that, in a sermonising spirit, we at once come to suspect that there must be something up their sleeves, and that when they are so eloquent in its advocacy, there must be something. very rotten about it. Sir, we do not know whether they are preparing a snare and a bait for us.

Be this as it may, we had the other day a full dress debate on the cut motion to condemn the repressive policy of the Government. I am very grateful to the House for that, for it is my unfortunate province, Bengal, which has always had to bear the brunt of the repressive policy of the Government. There again the Home Member came forward with a reply, which was not sarcastic, which was not pungent. All he had to say was that this is a sort of hardy annual and that by 1st April 1937 he will be relieved of a good deal of this kind of censure. That again was a surprise. I do not know if the Honourable the Home Member is going to be functus officio on that date. I do not know if the Government are going to wind up their departments on that date. In any case we have no delusion about it. Though they profess that they have given a constitution which will. give full powers in the hands of Indians, we know very well that all the essentials of the powers are in their hands and they have given us only the external forms. They have given the shell, keeping the kernel in their hand. But we have not heard anything conciliatory, anything showing that there is a real change of heart and when in this period of transition they say that they are going to transfer power to the people of this country, they are not even doing it with a good grace. They never indicated that they are going to relax the policy of the iron hand and the mailed fist in this country. In the debate on the repressive policy speaker after speaker brought to the notice of the House cases: of terrible suppression of the civil liberties all over India and

especially in Bengal. Sir, the impression was created by speeches from the Treasury Bench that the picture was not so dark and sombre as it had been painted by some of our members. Too much was said about the terrorist reclamation scheme of the Governor of Bengal. In the first place, I desire to tell the House that the impression which has been created is a very wrong impression. It may not be known to the House that the Ananda Bazaar Patrika, a most influential nationalist daily paper of Calcutta, which has got the largest circulation in this country, exposed the hollowness of the pretensions and pointed out that this institution which is intended to turn terrorists into useful citizens is a sham and that it never touched the real fringe of the whole problem and what was the result? For that temerity, for that fearless act of honest journalism, on a flimsy pretext the security deposited by the Ananda Bazaar Patrika was forfeited and the Editor was again called upon to furnish further heavy securities for conducting the paper. This was really for that unpardonable crime of criticising the policy of the Government of Bengal in the matter of the so-called reclamation of detenus.

Sir, I shall now refer to only two or three cases before I come to the aspects of the financial problems. There is a large number of detenus detained in the Deoli Detention Camp. When the question of segregating the detenus to the arid wastes of Rajputana was mooted, there was a great volume of public indignation and the public with one voice demanded that these Bengal detenus should not be cut off from the province of Bengal. from the environments of Bengal, and transported to a region most unsuitable to their health. Sir, it may be within the recollection of the House that in the Deoli Detention Camp one of the brilliant young men there, called Santosh Chandra Ganguli, was compelled to commit suicide to seek a sort of humane deliverance from the appalling agonies which a life of detention means. The House must remember that there the people are segregated not as culprits but purely on suspicion. When I heard of the suicide of this young man I tabled an adjournment motion to be moved on the opening day of this Session, but unfortunately as we were not to be present on the first day it could not be moved, but the facts are so tragic that I would ask every Honourable Member to seriously consider what we should do to make a repetition of similar things absolutely impossible in this country. This young man was detained in 1931, and in June last, he developed symptoms of appendicitis. We know that appendicitis is a terrible disease and this young man asked the medical officers to render him proper treatment. No reply was forthcoming. That was in the month of June. Day in and day out he was feeling the pains of this fell disease that was slowly eating into him. He was getting a reply that something would be done in due course. Six months rolled by, and on October 16th he again felt acute pain. A camp doctor who came to attend him was told that his position was absolutely intolerable. He said that he could no longer bear the pains of his cruel disease and he wanted an immediate operation. The doctor said he had got only olive oil, which he gave; a very fine form of treatment for appendicitis! Sir, what happened after that? This man had to put an end to his miserable life on this earth: and then the Commandant of the Camp, after four or five days, sent a communication to the mother of this unfortunate boy in which he said that the boy committed suicide in a fit of scute depression. Sir, we did not want any ghost to tell us that suicides are committed only when a man is seized with a homicidal mania, when he is in a fit of temporary insanity.

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but the point is really-what was this temporary fit, this acute depression due to? Sir, we have enough reasons to believe, we have on record certain communications from the deceased, that the treatment meted out to him by the authorities was wholly unjustified and wholly unwarranted. authorities displayed utter callousness, a most shameful and criminal neglect of their duties and responsibilities to the people whose liberties they had curtailed. Sir, the chief medical officer kept him for six months without attending to him on the spacious ground that the climate of Ajmere was not suitable for operation before winter. May I ask the Honourable the Home Member or those who represent him here—could he not be shifted to some cooler place, to Calcutta or to Simla, so that this boy could be operated on and his life saved? Do Government seriously say that there would have been a collapse of the system of administration if this boy had been taken down to Calcutta for treatment? Sir, the Commandant concluded his letter to the unfortunate mother with an expression of regret, an expression which is neither here nor there, when the mother had lost her only son, one who was the prospective breadwinner! Sir, the mother of this young man was not granted any allowance whatsoever; and for six or seven years he was detained there till he in sheer disgust chose to throw away his life. I want to ask the Government—is that the change which is indicated in their replies, when they speak in reply to these debates? If that is so, do they seriously think that the people of this country are of such stuff that they will jump for co-operation with them while this state of things is going on, and no real change in their attitude is seen?

Sir. there is another case, that of Soroj Ranjan Acharya of Nadia, a detenu, who is a distinguished graduate of the Calcutta Univer-3 р.м. sity, detained since 1931 at Deoli. I am only referring to those cases now which are directly under the control of the Honourable the Home Sir, this young man had been detained at Deoli since 1931. He had been an acting assistant headmaster on Rs. 80 a month and had been earning an equal amount by private tuition. Now, this young man was taken away, and, in the year 1935, he got the permission of the Government to appear as a private candidate for M. A. degree from his detention camp. He passed the M. A. Examination and was placed in the first class standing second in the whole University. Sir, he got a medal and other prizes from the Calcutta University, because his essay was the best "showing the greatest stamp of originality". Now, he had been suffering and suffering, and he wanted proper treatment. No attention was paid to him till he developed middleear deafness to such an extent that the young man completely lost all power of hearing. The young fellow requested Government to give him a hearing appliance to help him to hear. That also was refused. And now the Government place him in a village detention camp-a man against whom no charge has been framed up till now-and he has been given a magnificent allowance of Rs. 30 a month with which he has to maintain, not only his family consisting of his mother and younger brothers and widowed sisters, but to meet all the expenses of their education.

Sir, another brother of his, Nishit Ranjan Acharya, is also a brilliant graduate. He has, I am told, been very recently released but I have just received a communication in which it is stated that though he has been

theoretically released, the police are simply making a hell of his life; they are constantly shadowing him and dogging his footsteps wherever he goes. He was a candidate for a teachership in a municipal high school. Well, the Sub-Divisional Magistrate at once called for the C. I. D. report. The report came that he was a detenu only recently released, so he could not get the job. The young man is being driven from post to pillar and from pillar to post in quest of some job with which he can maintain his family and be, in the words of the Treasury Bench, a useful and normal citizen.

Sir, if that is the way they are pursuing their policy of release, it is all absolute bunkum. I say that these so-called releases are not real releases, they are not effected in the real spirit, but they are effected only to relieve the exchequer of the burden of giving them allowance. What they are doing is just releasing some detenus from jails and camps and then immediately afterwards placing them either under some forms of restraint or putting them under home internment, declaring them to be home internees, and then they set the whole machinery of the C. I. D. upon them and their families, making them all a miserable lot! Sir, that is the policy that is being pursued. There are few cases of actual unconditional release.

Then, there is another case, that of Mr. Kali Kumar Sen-Gupta, a man aged about fifty, detained for about twelve years. He was a suspect, he was suspected to have some complicity with the Communist leaders. the Communists themselves had been placed on trial at Meerut and many of those that were convicted have served out their terms of imprisonment and are now free men, but this unfortunate man has been dragging a miserable existence for twelve years and the Government are paying his family only a nominal allowance with which it is impossible for them to keep their bodies and souls together and also to provide for the education of his children and for the marriage of his daughter. He comes of a very respectable family. He is detained, because he took some part in certain strikes in Asansol; the fact is, he had been a labour worker all through his life. So the position is, that whoever takes any honest lead in any department of activity, whether as an honest labour leader or otherwise, he is not free from the clutches of this Government and this poor fellow has been rotting in detention for the last twelve years. There has not been a word of sympathy for these unfortunate people.

Sir, this is the policy which is being pursued, this is the change of mentality of which we have heard so much. Let us see how the Government are anxious, how they feel about the transfer of real power to the people of this country. It may not be known to this House, at least to most of us, what reactionary policy is being introduced by the Government to de-Indianize the services of this country. This country has been asking for Indianization. Now on the eve of the inauguration of what they call Responsible Government or Provincial Autonomy, they are trying to capture all the key and strategic positions in the services for the Europeans and they are practically going back upon the policy that was inaugurated by the predecessors of some of the occupants of the Treasury Benches. I will mention two or three instances that are typical and illustrative of what is being pursued.

Sir, this Legislative Assembly and all the Indian commercial bodies were insistent in their demand that the Indian Railway Board should have in it an Indian element. In the Railway Board there was only one Indiannot as a Member of the Railway Board, but as the Financial Commissioner

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for Railways. Sir Raghavendra Rau was, indeed, a distinguished Indian and he filled his job with conspicuous ability and distinction. I hope the Honourable Member will listen and not lose himself in gossip when I am paying him a compliment. When he has had such a distinguished career, he is being shunted out from the Railway Board to look after audit and accounts. That is how the only Indian in the Railway Board is going to be squeezed out.

Then, this House debated on the Railway Inquiry Committee. Sir, experts were brought from outside from England and Africa to investigate Indian Railway Finance and in future experts will be brought from all sorts of countries from Kamaschatka to Honolulu, because we are told that in this country there is nobody to give any expert opinion on any matter, be it railways, be it education, be it unemployment, be it agriculture, be it income-tax, be it any other thing. Sir, my Honourable friend, Sir Homi Mody, made a very witty observation the other day. He said that Government should address themselves to the question of levying import duty on these experts. I think the time has come to seriously consider this matter. I will revert again to the case of Sir Raghavendra Rau. Who has come to fill his place? One Mr. Staig. And what are his credentials? Well, he is said to be an Adviser on Military Finance. So, an Adviser on Military Finance comes to take the place of the Financial Commissioner for Railways!

Mr. M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): They are fit for everything.

Pandit Lakshmi Kanta Maitra: Yes, they are. But up to this time we knew that it is only the I. C. S. people who are fit for everything.

An Honourable Member: He is also an I. C. S. man.

Pandit Lakshmi Kanta Maitra: Then, it is all right. Then, it is a justifiable choice! And, Sir, who is coming in the place of Mr. Staig as an Adviser of Military Finance? One Major-General Addison, who is a railway engineer! This is how situations are being filled. For the post of Educational Commissioner with the Government of India they cannot find one educated Indian in the whole of India who can fill that post. Everybody knows that there are many brilliant educational experts in this country. There is no lack of talents, no lack of genius, no lack of gifted men in this country, and they are shedding lustre on the face of the globe even now. Yet, they bring all manner of people from outside.

Then, my Honourable friend, the Finance Member, has got a policy of his own. He is introducing an absolutely British personnel in his own Finance Department. Two experts were imported from Great Britain to carry on the Income-tax Inquiry. They found this land so congenial and the climate so suitable to them that after finishing their inquiry they have not left the country. Jobs have been found for them. An economic adviser and a financial counsellor are also coming. When Sir Tej Bahadur Sapru's report on the Unemployment was published a good deal of row was created in the country. It was said that the Government were absolutely callous to the problem of unemployment in this country.

Government said: "Do you want us to do something for you in this matter? All right, we are going to bring in a batch of experts who will see how your unemployment can be relieved." So, half a dozen people are coming from England. One is entirely at a loss to know whether by finding jobs for the experts they are really trying to solve the unemployment problem of this country or of England. That game, Sir, is going on merrily. Therefore, I say they have completely reversed the policy of Indianization for which Indians have cried hoarse and when Indians sought to achieve some little measure of success up came these administrators and tried to climb them down. Sir James Grigg's policy is really the reversal of the policy inaugurated by his illustrious predecessor, Sir Basil Blackett. I think we should enter our strong voice of protest against this deliberate and systematic policy of de-Indianisation that the Honourable Members of the Treasury Benches are pursuing in anticipation of the ushering in of the Federation.. Sir, if the Honourable the Finance Member has succeeded in reversing the policy of Sir Basil Blackett in the matter of appointments, I submit he has equally succeeded in reversing the fiscal policy established by his predecessor in office. After a considerable period of agitation in this country, Government somehow committed themselves to a halting policy of what they called discriminating protection. There was to be no protection unless there was that adjective to qualify it. I would say that the Honourable the Finance Member is more obsessed with the idea of discriminating than giving "protection" to this country. Sir, we are told that we have established the Fiscal Autonomy Convention. We are told that the Government is pursuing a policy of protection to the key industries of this country. The other day we had a very informative debate on the revenue duties of this Government and we heard all kinds of things. But, if you really want to give any protection to the industries of this country, how can you achieve the object of that protection if simultaneously with your raising of the tariff wall you make holes through which the imports can percolate into the country, to stop which you raised that wall?

Mr. M. Ananthasayanam Ayyangar: It flows and not percolates.

Pandit Lakshmi Kanta Maitra: Yes, it does flow. One can understand the scaling down of the tariff duties. But what one cannot understand is the propriety of imposition of an additional burden on industries which are brought into being under the protective wings of that "protection", but which are not yet able to stand on their own legs but require a little time to consolidate and stabilise themselves. You give them a death-blow by trying to raise revenue by imposing an excise duty on them. I am apparently referring here to sugar. In 1935, when I was speaking on the Budget, I said the very same thing, that you would throttle the nascent indigenous industry at its very inception by the imposition of this excise duty. Sir, it is whittling down protection. It was unheeded then, and it is sure to be unheeded now, situated as we are. So, today we find ourselves in this position that sugar which happens to be the most important and highly protected industry will not be able to consolidate itself, to grow in the way in which, we, Indians, would want it to grow and develop. For, has not this industry worked miracles within the short period of its coming into existence? We are told that there has been overproduction. We are not sorry for it. We are glad that the object has been gained.

[Pandit Lakshmi Kanta Maitra.]

We want that some more time should be given so that the industry can thoroughly establish itself. We are placidly told that the imposition of this excise duty will not cause any hardship to the producers. We are assured that the producers will be able to pass this excise duty on to the consumers. Whether the producers will be in a position to transfer it to the consumers or whether both of them will share the excise duty, the fact remains that the industry will find it very difficult to adjust itself to these duties specially when the import duties are kept unaltered. One argument which I have heard advanced by some of my Honourable friends particularly by my Honourable friend, Babu Baijnath Bajoria, who had been discussing this matter with me in the lobby is that this excise duty will not facilitate the import of Java sugar or enhance its price. Well, Sir, the success or failure of a protective duty, I believe, is not to be judged solely by the test as to whether foreign countries, which used to send their commodities before, are in a position to dump them there after "Protection". Another important test would be whether the people who pay for the protected industry are actually called upon to pay more price for the commodity they protect. In other words, we have to see, in this particular case, whether in spite of protection the foreign countries can dump sugar into India, and also whether we, in India, can buy our sugar at cheaper rate than the people in other countries. Judged by these tests, I have some figures from which I am satisfied that we in India, in spite of this heavy protective duty, are in a position to buy our sugar much cheaper than the people in European countries.

An Honourable Member: What about Australia?

Pandit Lakshmi Kanta Maitra: Remember I am not talking about Australia, but I am referring to Europe. But remember that this is achieved after filling the coffers of Government with revenue from import duties on account of sugar coming from abroad, with revenue on account of appliances and machinery imported from abroad, after giving stable price to the cane growers and after yielding a substantial amount of revenue by way of excise duty and income-tax and at the same time saving the country from the drain of 16 crores which used to flow out of it before the protection was granted. I say, therefore, that the protection has achieved a lot and that the imposition of an additional excise duty on sugar will spell disaster to this great national industry.

Then, I come to the particular grievance which has been voiced again and again but which still remains unheeded. My Honourable friend, Mr. Das, who spoke immediately before me suggested that some steps should be found even now to stop the drain of gold. Three hundred crores worth of gold have already been drained from this country. We have been repeating the old old argument, but it seems to have had no effect on the Government, but in spite of that, we have to go on repeating in the hope that some day sense may dawn upon the Government and they may act according to our suggestion. If something in the nature of an export duty of, say, ten per cent. were imposed on the export of gold, we would have got thirty crores and I do not see any reason why the Finance Member should not adopt this course. If the Honourable the Finance Member looks upon gold as a commodity like any others, it will be governed by the ordinary law of demand and supply, and if that is so, I do not see why revenue

should not be raised on the export of gold. If the export duty had been imposed the Government would have got thirty crores by this time which might have gone to the relief of the overburdened taxpayer, or it might have helped the railways in lowering their rates and freights, or it might have helped to bring some form of economic recovery. In other countries, gold and silver are treated not only as national capital but as the ultimate reserves of the people. So far as I am aware, in this country, the institution of insurance was never known. I have never found anywhere that Indians in ancient times did anything like the insurance business as we know it in modern times. But Indians had their own way of providing for the rainy day or for adversity and that was by hoarding gold and silver in the shape of ornaments so that in the hour of distress they could fall back upon them. This ultimate reserve of India for ages, is being drained gradually. Our cry has never evoked any response from the Government. Any other country would have gone mad over this inaction and apathy of the Government and the people there would have brought about a revolution if Government had not taken steps to stop this drain of gold. But the Finance Member will not do anything as it will go against the interests of the Bank of England and of the international financiers.

The next subject which I wish to deal with is the exchange policy of the Government. When the Government committed this country to 18d. ratio. it was against the verdict of this House a verdict which was given with such a big majority as 65 votes against 28. Ten years have rolled by. Whenever commercial bodies in India represent to the Government and pray for a reversal of the exchange policy, the Honourable the Finance Member stands up and says that he would not be a party to monkeying with the ratio. One by one almost all western countries have gone off the gold standard. If that is so, I ask is it reasonable, is it natural to stick tothat fixed ratio? After the devaluation of the franc last year, we again debated this question. The Honourable the Finance Member stood up and said: "Oh! no, I am not going to join in the competitive race of currency depreciation". He says that no new factor has been introduced which would necessitate any change in the ratio and exchange policy of Government. Today the question is not whether we shall have the ratio fixed at 16d. or 18d., but today the question is whether the rupee should be allowed to be continually pegged to sterling, whose value in gold is not fixed, which itself is devalued or divorced from gold. You cannot make an abstract standard. If your sterling is not wedded to gold, but is divorced from it, how can you for all time ask this poor country to tie itself to a fixed ratio of 18d. for a rupee? You have completely ruined this country by this appreciated currency policy. Why do you see so much of misery and destitution amongst the masses? Why do you see so much unemployment? India is the only country in the world which had to face the terrible tradedepression with an appreciated currency. Australia was free to devalue her currency to the tune of 25 per cent. and compared to India Australia had the advantage of 371 per cent. in her favour in the matter of her financial transactions with India. So, she could dump her wheat into-India. Because she had a depreciated currency, because she had exchange advantage and because she had reduced her railway rates and considerably reduced her steamer freights; the result was that Indian wheat growers were hardest hit by competition from Australia. Under the circumstances. Indians had no other alternative but to seek Government aid for getting relief in the matter. After considerable vacillation and hesitation, the

[Pandit Lakshmi Kanta Maitra.]

Government came forward with something in the nature of wheat protective duty and that too not until the peasants had been thoroughly ruined. I, therefore, submit, that the present sterling-rupee parity is detrimental to Indian trade and agriculture. It ought to be revised immediately.

The rupee is overvalued and its unnatural and illogical relationship with sterling is the greatest obstacle to recovery.

Sir, last year, I remember, His Highness the Aga Khan had been to this country. He gave a bit of his mind to the people who gathered about him to ascertain his views on the economic uplift of this country. His Highness is reported to have said,--and there has been no contradiction of his statement so far,—that no real economic uplift of the country could come unless you considerably devalued the rupee. And being pressed as to the ratio to which he wanted to fix the rupee he said that he would prefer one shilling. That is what His Highness the Aga Khan said,—that you could not bring about any economic betterment until you scaled down agricultural indebtedness and devalued your currency. Sir, His Highness the Aga Khan is not an agitator, a rabid, rank agitator of the Congress brand. He holds a very high position because he has in his keeping not only the conscience of a vast body of responsible and influential Muslims of this land but he is really a persona grata with Government. It is a misfortune that even after this statement, in this country we could not organise and put up a stiff fight against this currency and exchange policy of this Government. I can assure the House that I do not believe that devaluation per se will be a panacea for all the economic evils of this country; but I do assert that that is the very first step you could take before you could think of giving the provinces any chance of working for the amelioration of the masses. Slow movement of trade, colossal poverty of the masses, commodity prices abnormally low, widespread unemployment,—these things indicate that we require an impetus for recovery and that impetus has to come from Government by devaluation of currency and expansion of credit and by a deliberate policy of cheapening money by open market operations. Sir, I know the Honourable the Finance Member will jump up and say, "Are you prepared to go with President Roosevelt the whole hog?" It may not be possible for us because you do not make it possible. If you can make it possible, if side by side with devaluation you can start the other items of economic reconstruction with a well laid plan, then I believe you can lift the country on to recovery. You cannot go on sitting idly by and telling people that you are depending on India's wonderful power of recuperation. She has recuperated of course; we know she has recuperated from the thousands of onslaughts from people who have come to this country and have drained away her resources. Still she stands and still she is there to be exploited by you. But there is no reason why you should not on your part take any initiative to bring the finances of the country on a solid basis. Sir, I will ask the Honourable Member more thing now. Last year we heard from him that the budget was s surplus budget and it was shown to be a surplus budget. The general budget was a surplus, and the railway budget was a huge deficit. This year the railway budget is a surplus by 15 lakhs! and the general budget is a huge deficit! Of course our unsophisticated minds cannot understand this and it is absolutely unintelligible. If, indeed, inscrutable are the

ways of Providence, equally inscrutable are the ways of our administrators. We were told that signs of recovery were there, we had definitely turned the corner, there had been a marked improvement in the finances of this country, and so on. Yes; but read your own statements and you will find that in the three years your revenues have been steadily dwindling down. They have gone down by four crores of rupees and more if you take all these four years together. Verify from Mr. Sanjiva Row and you will get that. But your level of expenditure has been the same. You have never cared to cut it down, and you want to make up the deficit by the imposition of these taxes. Sir, the first year we came here, we heard from the Honourable the Finance Member that he had set apart one crore for rural economic uplift. In the Simla Session we were told that the receipts were actually far in excess of the anticipated amount. Then, Sir, he was graciously pleased to put 1 crore and 13 lakhs to the rural economic uplift fund. From the actuals that year he found that they were far in excess again of the anticipated receipts. Last year, I believe, when the Honourable Member was speaking on the budget, he informed the House that he would place the surplus an:ount in the rural economic uplift fund. After having made contributions to the different departments like the co-operative movement, the Research Fund Association, agricultural research, sugar technology,—after having made grants for all of them, we were told that if after consultation with the Provincial Governments it could be ascertained that they had been working in the matter of rural economic uplift in accordance with approved plans, --approved by the Government of India, --the rest of the money amounting to about 1 crore and 8 lakhs would be distributed to the different provinces on population basis for rural economic uplift work. If I remember aright, there was a statement like that. This year we have not had the faintest reference to that fund. I want to know from the Honourable Member what the matter is with that fund. The whole matter seems to be shrouded in mystery. So, Sir, I submit that the Finance Member has done nothing to improve by a jot or tittle the financial condition of this country. He has been pursuing a policy which is so retrograde and so regressive that far from advancing this country on the path of recovery it is tending more and more to bring the country down to the slough of depression. (Applause.)

Mr. N. J. Roughton (Central Provinces: Nominated Official): Sir, there is a tendency in a debate of this nature for speakers to travel over a wide range of country with the possible effect of obscuring the points at issue. I shall endeavour to avoid this pitfall by confining myself to two matters. The first matter on which I wish to speak is the allegation recently made by a Member of this House that Government were endeavouring to force motor buses off the road and thereby cause an increase in unemployment. Recently, Sir, I have toured all over India with a committee which has been inquiring into the cognate question of the compulsory insurance of motor vehicles. I am, therefore, able to speak with a certain amount of recent knowledge of the conditions of road transport in India. There is a very large body of opinion, both official and non-official, to the effect that motor transport is not at present developing in the right manner, in that the "one man one" bus system forms far too great a part of the organisation of provinces have

[Mr. N. J. Roughton.]

been endeavouring to deal with the problem by regulating the amount of traffic on particular routes. But they have not done that by driving traffic off the routes: they have done it in almost every case, as far as I am aware, by preventing new comers coming on to routes that are already congested. I think that in doing this they have been acting in a very reasonable manner. The object of Government is to regulate the traffic in an orderly manner. There is no intention to drive off from the routes traffic which is suitable to those routes. I think that every one should keep this aspect of the problem in their minds. There is no need to suppose that the small owner of individual buses cannot function: properly in our transport system. In many parts of India, he is already combining into small companies which give proper service to the public, and that is the manner in which that particular form of transport should develop. I think I have said enough on this aspect of the question to prove, if there is any need of proof, that there is no intention on the part of the Government to attempt to increase unemployment by driving small men who have been operating road vehicles off the routes. They have their own place in the proper development of the industry, and all that is needed is regulation.

The next point on which I wish to give my views is the question of the export of gold in relation to rural economics. In my province, that is, the Central Provinces, we were, I believe, the first in the field ir tackling the problem of debt conciliation. Those who were responsible for that matter-one of the things which they feared most was that the conciliation of debts-which, as every Member of this House must be aware, is the substitution of a debt which can be paid in reasonable instalments for a heavy debt immediately due which cannot possibly bepaid—one of the things that we feared most in our province was that these operations might result in an undue restriction of credit and the position was watched very carefully from the beginning to the end. I think our operations have already been very successful in a large number of areas. We have examined the position very carefully and we have been unable to find any indication that any areas have gone out of cultivation owing to the lack of facilities for rural credit; and this is undoubtedly due to the fact that there was a reserve supply of gold which provided the cultivators with credit. I do not, of course, assert that every cultivator had a supply of gold with him. That of course could not be the case. But in an area like our province, where, with a system of landlords and tenants, the landlords cannot carry on unless the tenants are financed as they cannot realise these rents; undoubtedly there was some drying up of the ordinary channels of rural finance. But the landlords were able to supply credit, and some of the tenants themselves were able to obtain credit owing to the fact that they had supplies of gold. The effect of the export of gold on the rural cultivator was undoubtedly this: the sterile gold was converted into fertile seed, into bullocks for cultivating land, and into wages for labourers, for tending the land, and for reaping the harvest when it came to fruition. I cannot think that any one can deny that, so far as the rural cultivator is concerned the result of this operation was wholly beneficial. I would ask Members to bear that in mind when they talk about the question of the export of gold. It undoubtedly saved the situation in my province, and I have no doubt in a large number of other provinces, by supplying a new means of raising agricultural credit at a time when the ordinary channels of credit were drying up owing to the operations of our arrangements for relieving the tenants of the unduly heavy load of debt. The effect was highly beneficial, and I cannot emphasise this too strongly

- Mr. M. S. Aney (Berar Representative): Do I understand the Honourable Member to say that the export of gold is a direct result of the loss of credit due to the promulgation of conciliation boards and other things? Is that the meaning of what the Honourable Member said?
- Mr. N. J. Roughton: No: I did not mean to say that at all. I said that when the ordinary channels had dried up for other reasons, the export of gold occurred and saved the situation and provided another form of credit.

Sir Cowasji Jehangir: Why did the credit dry up to necessitate the gold coming out?

Mr. N. J. Roughton: Credit dried up because it was necessary to undertake operations for the conciliation of debts and the ordinary money-lenders who were supplying money to the agriculturists refused to renew credits, because they were afraid that they might not be able to recover their debts. I hope that the House understood my argument, because it is a very important one.

The only further point I wish to make concerns the proposal that has been urged in some quarters to put an export tax on gold. That really comes to the same thing on a smaller scale: so far as the rural agriculturist is concerned, it does not take away his credit, but it diminishes the amount of it. If you put an export tax on gold, the cultivator who sells his gold undoubtedly will get in return so much less by the amount of the tax. I think, Sir, in such a case every economist will agree that an export tax on gold will result directly in lessening the amount of gold realised by the sale. Sir, from the point of view of the agriculturists, I think this is a strong case for congratulating the Government on its refusal to stop the export of gold, or to put an export tax on it.

Mr. Ram Narayan Singh (Chota Nagpur Division: Non-Muhammadan): Sir, knowing as I do the effects of the speeches delivered in this House, I generally feel disinclined to say anything here, but when I find my friends all round talking, I also feel tempted to talk. (Laughter.) Because, Sir, it is very difficult to resist that temptation. This is the only opportunity when we can talk freely of the mischief done by the Treasury Benches The subject under discussion is the Finance Bill opposite. India. for behalf of the Government of sideration of the representatives of the Indian people. This sounds very grand indeed, but to me, Sir, this appears to be a gigantic farce. Budget or the Finance Bill should be framed consistently with the condition of the people of the country. But here if you go through the Budget, or the Finance Bill what do you find? You find that the Budget framed has not taken into account the condition of the people at all.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

[Mr. Ram Narayan Singh.]

The Finance Member will tax the necessaries of life as well as the luxuries of the rich. He makes no attempt to see whether particular materials are to be treated as necessaries of life or as luxuries for the rich. His behaviour in this connection reminds me of a proverb that is current in the mufassil. It runs as follows:

"Andher nagari chaupat Raja Take ser bhaji take ser Khaja".

I am sorry I have to repeat it again, as I see the Finance Member was engaged in conversation and has not probably heard it. The behaviour of the Finance Member reminds me of a proverb which is current in the mufassil, and it runs as follows:

"Andher nagari chaupat Raja Take ser bhaji take ser Khaja".

It means, Sir: "Chaotic town, Idiotic King, 2 pice per seer vegetable, 2 pice per seer sweets."

Sir, this is the only opportunity we get for referring to the sins of omission and commission perpetrated by this Government. But, Sir, their acts of omission and commission are so numerous that even the Gods and Goddesses of learning will not be able to relate them. I shall, therefore, confine myself only to refer to one or two things that they have done in this country. Now, look at the military policy of the Government. Sir, by their policy they have killed the martial instinct of the people throughout the country. They have confined recruitment to the army only to one or two provinces, and those recruits also are mere soldiers. They are not given powers of command over the army. The other day when the military policy was discussed, my friends on the other side said—'Oh, look here, leadership in the army requires military tradition'. I ask my friends opposite who represent the British people here in this House-were the British people known for military traditions? Had they got any military traditions at all? If they have any tradition at all, the tradition of forgery, perjury and treachery and nothing else. Besides that, they are nothing but traders. Who know that in the last war if Indian soldiers had not reached Flanders in time, by this time England would have been a German dependancy, and my friends the Foreign Secretary and the Finance Member might have been either in the German jails or talking in their Parliament as we do in this House. Sir, I would ask Members opposite to consider this question seriously. The military policy of the country ought to be that recruitment to the army should be made from all provinces and from all classes of people. We all know that before the British came to this country, India had large armies, and there were Indian generals too. During the first war of Indian independence in 1857, who led the Indian soldiers? Not the British Generals, but the Indian officers, for British Generals were killed at the first instance. The British Government were overthrown from Upper India, and here I must say to our humiliation that it was the Punjabees and some other people who re-conquered India for the British people.

Next I wish to take up the question of the Arms Act, which was passed after the year 1857. Sir, in other countries too, there is the Arms Act, but there the Arms Act lays down that certain people should not be allowed to bear arms, but here the Arms Act lays down that certain people may at the sweet will of the official on the spot carry and possess arms. Sir, we know that God has given to all His creatures the instinct of self-defence and has provided them also with means of protection. Some animals have got horns, some have got hoofs, some have got nails to protect themselves with, and men have got intellect to discover their own means of protection, but this Government have deprived the people of India of all means of protection. Now, the people have been so cowed down, they are so hopelessly weak that one armed soldier can loot a whole village. This is the condition in which our Government have placed the whole country. I hear the talk of the benefits of the British Rule. So far as I am concerned. I find nothing, but if there are any benefits of the British rule in this country, imaginary or real, all those benefits are more than counterbalanced by the evils, and the injury done to the people by the passing of the Arms Act and the administration thereof. I can, therefore, say that what they call the Government of this country is not in fact a Government at all. I do not think that there is a Government in this country. Well, Sir, what is a Government? The Government of a country is the supreme organisation of the people, established according to law, for the good of the people.

An Honourable Member: By the people.

Mr. Ram Narayan Singh: And what is law? Law is nothing but the will of the people expressed in terms of law. In this country there is not a single law which has got anything to do with the will of the people of India. Understood in that way there is no law in this land. In the absence of law there can be no Government, and in the absence of a Government the question of Finance Bill and Budget does not arise at all. (Laughter.) There are people who claim themselves to be the Government of this country, but I shall ask my countrymen not to call them Government but to call them the managing agents of the British exploiting agency of India. This is the proper name that they should have. I have to say one thing at this stage. The other day when the conditions of people were described, a friend from the Treasury Benches, I mean, our friend, Honourable Sir Muhammad Zafrullah, said that people in the Punjab were happy and contented to a very large extent. The statement of his reminds me of a proverbial barber. In a certain kingdom there was a barber who had a gold coin with him. Wherever he used to go he used to say, "In this kingdom all people are happy and prosperous. There is not a single man who has not got a gold coin with him." Some clever man got a clue to his wealth and managed to deprive him of his gold coin. From the very next day he began to say, "Here in this Raj all people are poor and miserable. There is not a single man who has got even a gold coin with him." Similar is the case with my Honourable friend, Sir Zafrullah, who is not in his seat today. He wields powers and draws high salaries. How can he know what the teeming millions of the Punjab feel about their condition? My Honourable friend's behaviour here reminds me of another proverb:

"Banjka ki jane prasawa kee pira"!
"How can a barren woman know the pangs of child birth?" (Laughter.)

[Mr. Ram Narayan Singh.]

He draws high salaries, wields powers, and how can he talk of the millions of people of this country? Let Sir Muhammad Zafrullah be divested of his powers, let him be deprived of his present wealth, let him go to fields with plough and spade on his shoulder. Let him plough the fields there, and, after that, let him suffer one or two failures of crops. Then he can say whether the people of this country are happy. We, the Congress people, go from village to village. We visit the interior of the country, we know what is the condition of the people. I can give you an illustration. In 1921, going about in my district I happened to be in a group of villages on a certain day. I had to address a meeting in the evening, but in that group of villages there was no lantern, there was no light. Fuel was collected and burnt and with the light that was thereby produced the meeting was held. After that, the people there did not have a seer of rice to feed the guests like us. The paddy seeds which they had stored for next year's cultivation were spent and rice was prepared therefrom and at the dead of night food was served to me and my party. I know to my bitterness that there are people in the country, especially in my constituency, who live upon roots and fruits of the jungles for several months in the year. The forest policy of the Government of Bihar is depriving people even of these roots and fruits. The other day, when the Finance Member was talking he advised us to accept office, and Lord Halifax in England also advised Indians to accept office. Well, Sir, the Congress may accept office or may not but whenever there is a talk of cooperation I do not know how there can be co-operation between the two people. There is an Englishman, Sir James Grigg, there and I am an Indian hankering after Swaraj, and how can there be co-operation between us two? He will always think of keeping me under his control and I shall always think of getting rid of him. How can there be co-operation between these two people. After the non-co-operation movement was inaugurated, a large number of my countrymen began to boast themselves as being cooperators of the British people. What I can say is they do not understand what co-operation means. When two individuals or two groups of individuals, fully conscious of their equality and independence, work together with a common aim, their action in relation to each other may be called cooperation. My friends, whether in the Treasury Benches or in the mofussil, who are only obeying the mandate of their masters must not claim that they are co-operators of the British people, exactly in the manner in which horses and cattle cannot claim co-operation with their masters. Before I resume my seat, although I do not like to talk of this Government because sometimes one feels that this Government is so low, so mean and so satanic that it is debasing oneself to talk of it—the only thing that this Government requires is that we should somehow or other get rid of it. In my province of Bihar the Criminal Tribes Act has been applied to political suspects. We know the Criminal Tribes Act. This was meant to control the activities of those people who were naturally criminal and who want to live upon crimes.

Mr. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): Even that is wrong.

Mr. Ram Narayan Singh: But that was the intention of the framers of the law. But now this Government has applied this law to political

[Mr. Ram Narayan Singh.]

workers. Of course, it may be said they are revolutionary people, they want revolution. Well, Sir, they want revolution and is revolution a crime against such a Government? Throughout the world and for all time to come, it is the right and duty of the subject race to get rid of their foreign masters whenever and in whatever manner they like. Many things have been talked in this country against violence but nobody on the earth can deny the right of the people of India to get rid of this Government either by force or by non-violence. It is of course true that Mahatma Gandhi has discovered a better and a purer method for the purpose and we hope and believe that by non-violence we shall get rid of this Government.

Before I sit down, I want to say something as to how the Government and their representatives behave in this House. As I have said already, speaking in this House is like crying in the wilderness. They are so arrogant and they are so boastful that they don't mind what is going on in this House. Although according to party politics or party arrangement, there may be leaders, deputy leaders and camp followers, but let them know that every representative in this House is a leader there and he has come here with the votes of thousands and millions of people. If they, the people on the Treasury Benches, are in any sense representatives of the Government, they ought to listen to what is going on and they ought to consider what we say. If they don't, I shall not have anything to do with their behaviour. The greater the number of mistakes they will make, the nearer will be their fall. Besides this, I know one thing. So many mischiefs have been done by the British Government to the people of this country that they cannot escape their fall and hence their wisdom is also gone. There is a Sloka:

"Asambhawam hêma mrigasya janma, tathâpi Ramo lulubhê mrigâya! Prayah samapanna bipatti kalê dhiyôpi punsa malina bhawanti."

It means:

"Rama knew that there could not be a deer of gold; yet he coveted it. It generally happens that when a misfortune awaits, the wisdom even of great men gets blurred."

Let the British people and their representatives know that their wisdom has got blurred. They do not know what is the right thing to do for the benefit of their country or their race. As their wisdom is blurred it shows that they are going to lose this country, and, by losing this country, it is a fact that they will lose all their power in the world. With these words, Sir, I resume my seat.

Mr. Sham Lal (Ambala Division: Non-Muhammadan): This debate has become a guerilla warfare, because we know that the decision is made up. The only thing is that we have to go through certain formalities. We may say anything against the Finance Bill. We may reject it. It would come back in its original shape. The Honourable the Finance Member will make a reply that "the arguments on this side and on that side cancel each other and I remain the wisest man, and, therefore, this Finance Bill must be passed". I remember the case of a Commissioner of Delhi. He used to divide all the appeals of the day into two lots. Clients used to engage eminent counsel, some would think of engaging a favourite of the Commissioner just as we have got Sir Yamin Khan today but the Commissioner

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went his own way and said, "This lot is rejected and this lot is accepted." No arguments would avail. So, in the debate on the Finance Bill, the arguments of the Finance Member would carry the day. Therefore, one is not inclined to study the subject. One is not inclined to make any suggestion. What is the use of studying when you know that the mind has been made up.

One Honourable Government Member from the Central Provinces took up two points. What are the two points, that the Government have been passing the Rail-Road Resolution or Motor Vehicle Bill. They are doing it in the interests of the motor transport industry, and any motive imputed to the Government is not justified. What I say is, this is perfectly wrong. The ulterior object is to benefit the railway at the expense of the road. When it is a question of the sugar cane industry, the Honourable the Finance Member says, "The weaker and inefficient industries must go, and, therefore, these duties are being imposed". I think next time he will say, that weaker and inefficient men must be killed and they have no right to live. A calf is to be killed because it is not a bull. The Finance Memberwould not see that the weak and inefficient factories are developed intostrong ones as in other countries. Here they must be killed, because it does not suit his purpose. Let Sir Muhammad Yamin Khan cry himself hoarse. Let him say that the people are revolting against the Government. Let them say anything, but it is a question of money, and the Government are not going to yield. Let Sir Yamin Khan or Mr. Husenbhai Laljee advance any argument, but this duty must remain. This is a settled fact, because inefficient and weak factories must go. When they imported machinery from England costing about five or ten lakhs, they were not considered weak or inefficient, and no warning was given. When their work is done, the industries must now go to the wall and be killed. If the Government pursue this argument further, they must kill weak and inefficient people, and the matter would become simpler. The motor industry must be killed by digging pits on the road. The development of the road must be checked, because it would interfere with the railways. The decision of the Railway Board must be communicated to the Local Govern ment, and they must be made to withdraw their projects. Railways, how ever weak and inefficient, must be propped up, because the railways provide an opportunity for Englishmen to exploit the country. Locomotives should be manufactured in England. High salaried officers should be kepthere. Experts are to be imported. A railway may not be able to compete with motor transport, but still it must be kept up. This would only apply in the case of the sugar industry, because the machinery has been already imported and because, after all, it is the Indians who have thrown their money into it and Englishmen have got nothing to do with it. Therefore, my submission is that this is the sort of policy they are pursuing.

Now, they invoke certain theoretical principles in the case of India; they say that in India it should be an "open-door" policy. Gold is to be exported in the interests of India, because it is after all, sterile gold, and when it goes to England, it becomes fertile, it benefits the people! Sir, all countries are trying to conserve their gold, but it is only India that is exporting, because of the high principle of liberalism invoked, the open-door policy!

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In this connection. I am reminded of a story which is current in our part. Perhaps you remember that Lakshmi is called the goddess of wealth. and on the Diwali day the idea is that this goddess will enter the house, and if she enters the house, then the man remains all right throughout the year, and he and his people get sufficient to eat. Now, there was a Jat-I am sorry my friend, Captain Chaudhri Lal Chand, is not here, because he should have known this-there was a Jat who was very prosperous. and thieves had their eyes upon the wealth of the Jat, and they wanted to have all his cash and jewellery and everything. Now, they could not have the courage to go into the house of the Jat, because he also was a strong man; so they engaged certain priests, Pandits and these Pandits approached the wife of the Jat first and told her: "On the Diwali day why do you keep your doors closed? The goddess of wealth will, therefore, not enter your house. So try and persuade your husband to keep the door of the house open on the Diwali day." The wife asked the Jat to keep the door open. The Jat said: "Well, I am not inclined to keep the door open. but as you are persuading me, I will do it. The Pandits say that the goddess will only come if you keep the door open, and I am going to accept that advice". Well, the Jat kept the door open on the Diwali day, and the thieves entered the house and removed everything. He got up in the morning and saw that everything had been removed. So he said to his wife: "Lakshmi has not come, but Lakshman has come." (Laughter.) So this is the "open-door" policy advocated for us. Other countries are closing their doors, but we are told that India should keep her doors open. so that this "Lakshman" of England may enter and loot everything away. (Hear, hear.) (Laughter.); and, in order to persuade us, who are in the position of priests in the story I have narrated, they engage our friends. the Honourable Mr. James and Mr. Chapman-Mortimer and Sir Homi Mody, to persuade us that our doors should be kept open, so that the goddess of wealth may come! Sir, while all countries are closing their doors, it is only India that is being advised, "keep your door open" for this Lakshman to remove everything. Sir, certain old played-out rules and principles are always invoked, the old liberalism of England is invoked, and anything is sufficient to convince the people, at least gentlemen who are already ready to be convinced, "well, let us have the open-door policy". These people go about saying; "Look here, the people tell us also that the speeches of the Government Members are conciliatory; look here how the Honourable the Finance Member, the Honourable the Home Member, the Honourable Sir Muhammad Zafrullah Khan, the Railway Member, are all making very conciliatory speeches; you should not say anything to offend them. They are going to give you provincial autonomy; you will get that And as the powers are going to be transferred, let us have good-will". Sir, I am not against goodwill, but if I am starving, I cannot exchange courtesies; I cannot say "goodwill" for "goodwill" if I am starving and the other gentleman is getting Rs. 7,000 a month. How can goodwill come? Sir, in that connection also I am reminded of another story. (Laughter.) I think my friend, Chaudhri Lal Chand knows it. and what is the story? There was a poor Jat who had a cow giving eight seers of milk. (An Honourable Member: "Where is Chaudhri Lal Chand?") He is here, I think, and I think he would like the story, because it is not against him. (An Honourable Member: "Tell us some Bania story.") The Bania will come in. Now, the Jat had a cow which was giving eight seers of milk a day. Now the money-lender happened to be a bania and he had

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an eye upon that cow, and he told him, "You owe me money and I want the cow" and he took away the cow. The children all cried, the whole family cried, "We cannot get milk, the cow is taken away." The neighbours protested to the money-lender, "What zoolum are you doing, you are taking away the cow? That is not proper for you". For three or four months, he did not return the cow, and naturally the supply of the milk diminished. The cow would now give only four seers, and the money lender also realized that in course of time she would be quite dry. So one day he came with the cow and said: "Well, I am very much impresse" by the arguments of your neighbours and by the poverty of your famil-I wish to return the cow, but on this condition that you send three sec of milk to me everyday". Of course, the neighbours thought that if & cow had been giving eight seers of milk, and since this money-lender. going to return the cow, you should show some goodwill. (Laughter.) He (Jat) thought that another liability was coming, but anyhow he got the cow, but then he found that the cow would not give the milk, and the cow began to kick. Now, this cow the Government are going to give ? our Deputy Leader and to Dr. Khare, who are going to be Ministers, as the Government expect them to bleed the cow, that is to get more mi' out of them, but do they not realize that the cow, the masses, workick them if they tax them further, if they are asked to give more the, the milk which is reserved for the Government Members, that is, the seers? Well, the Jat returned that cow, and we are going to return to cow to the Honourable the Finance Member. (Loud Applause.)

Sir, this Provincial Autonomy is a farce; everything is reserved to them high salaries are reserved to them, most of the budget is reserved for th army, the trade rights are reserved for the British people, and yet they say, "Have smiles on your faces, we are on good terms, after all, let there be good-will, I am going to return the cow to you". Sir, can we keep this cow? Sir, they have worked up their mind in such a way that they really believe that they are sincere, they really think that, oh, they talk like this, these Indians won't really understand their interests. This is the time for offering them advice to work the constitution, to benefit the masses, all this because it does not take away anything from them. Their rights are preserved and they want—so far as the masses are concerned, that we should deal with them, and tax them, and bring out money from them, and take all the odium ourselves, and they alone should enjoy, and we are only to give the milk to them. We are not going to have the cow. We are not against good-will and we do not want to have any bitterness. But it is not a question of good-will. It is a question of money; it is a question of our existence. You may call it a sham or a farce, but we are not going to have this constitution. You are only going to throw away a mantle which is quite useless.

I remember one case more and I think you would like to hear it. It is not a story but it is a fact and I saw it with my own eyes. I had an elderly relation. He was very frugal. I should say he was a miserly man, being a Government servant. (Laughter.) Perhaps you know that on festivals barbers and other menials come and ask for clothes. This relation of mine used to keep his things very carefully. Even his worn-out coats he used to keep in boxes. The barber asked for a coat. He gave him that coat which he had used for 20 years. The barber was very much

deased because he had got a coat, but he had used it only for two days, and it began to come out in pieces. There was no life left in the coat. After two or three days, the barber came to him and said: "What sort of a coat you have given me; it has given way in two days and I cannot use it. It is 20 years old and you can have it back. I do not want it". The Honourable the Home Member also keeps a stock of old coats, and these coats he is going to give to Pandit Govind Ballabh Pant and others. (Laughter.) But this coat won't fit on the broad shoulders of Pandit Govind Ballabh Pant, and so he is going to return it to the Honourable the Home Member. What is this joke that you are having? What is this provincial autonomy? What powers you are going to give us? You have not the army; you have got the police and you have got the power. Keep tem, but there is no question of good-will. There is no question of trans-Maring any power. The Honourable Sir Cowasji Jehangir said the other tay: "Look here, what have you done? You have not even listened to jus; you have made our position also awkward. We made the representation, the Honourable the President made the representation, the Honourable Sir Muhammad Zafrullah Khan made the representation, but you would not ten to anything". But how can they listen? The question is whether ey are to have this power or the Indians are to have that power? That 31 not an ordinary question, and it cannot be solved by good-will; it canat be solved by settlement; it cannot be solved by a mere talk. Of purse, if one day wisdom dawns upon these Englishmen or the Governent and they realise that it is difficult for them to live in India now, ev cannot exploit the poor people, there is no vitality left in them and there is nothing to be taxed, and, therefore, they make up their mind to eave this country, then there can be a question of conciliation, otherwise shere can be no transfer of power. There is no question of good-will and all this is a mere eye-wash. Therefore, we are not at all prepared to accept it. Of course, we are not against goodwill. The Government is being run on the system of brokerage. The system is that they purchase a few men and let them betray the masses. If the Congress people, by accepting the Ministry, also behave like this, they will be thrown out. If they also draw such large salaries as Rs. 6,000 and Rs. 5,000 a month, they will be thrown out. The question is not between the Congress and the Government, but the question is between the Congress and the masses. If the Congress people will in any way try to betray the masses, they will share the same fate as the Bureaucracy is doing at present. It is not possible for these high-salaried people to go on having milk from this dry cow, and so they will be kicked.

My submission is this. We make many suggestions but we know that they will not be listened to. But there are one or two points which I wish to bring before the House. Perhaps you have heard that there is going to be a Delhi Improvement Trust and the Government of India are going to spend some 40 lakhs of rupees. Of course, the case is a good one; there should be improvement in Old Delhi. But do you know what is going to be done? At first, the office was located in Old Delhi and the rent of the building was Rs. 120 a month. Now, the Old Delhi is to be improved but the office has been shifted to New Delhi and the rent of the building is Rs. 650 a month. The office is in its initial stages at present, but later on you will find that the officer in charge will go to Simla during the summer and improve Old Delhi from there. (Laughter.) That would be the next step. Sir, Old Delhi must be improved from New Delhi and an I. C. S.

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man has been put in charge. The Government say: "Don't you think we should improve Old Delhi?" We say, yes. Then they say: "Don't you think we shall require some money for its improvement?" So, the money is being sanctioned, and an I. C. S. man has been put in charge of the scheme. He should live in New Delhi and in order that he should keep his brain cool for the improvement of the Old Delhi, he should go to Simla during the summer and the poor people must continue to suffer. What is happening to us? We make our demands; we take part in debates. After everything is over, on the 3rd or the 4th of April Honourable Members of the Government go to the Coronation, and we go to our places after getting our daily allowance. So, in a way we also exploit the poor. And the poor man will go on toiling for one year to give you high salaries and the daily allowances to us. You take up a right cause, namely, the improvement of Old Delhi, which is a necessity. Money is granted for the purpose and then you appoint an I. C. S. officer. You will have one I. C. S. officer and one P. C. S. officer and you will find that a large portion of it will go to fill up the pockets of these people, and the poor people will not be cared for. Is it the method of improving Old Delhi? Can you improve it from New Delhi? In everything, Sir, there is nothing but exploitation. They act just as other people do. Sometimes people come to us and ask money for the orphanage. We give them the money and what do they do with it? They divide it amongst themselves. That has also become the custom with this Government. They say: Don't you think rural uplift is a necessity in India? It must be done and we are going to give one crore of rupees. Then what happens? They appoint a Rural Uplift Commissioner and a Rural Uplift Deputy Commissioner. Then, radios mus be purchased. Go to any village in any district and if you can find that the rural uplift work has touched the masses at all, tell me. On the other hand, they are tired of it because certain Zaildars and Tehsildars take away the money. If the money is to be distributed, it will be found in the houses of the Zaildars. They are not at all responsible to them. If people being to complain, they are dubbed as congresswallahs. On the other hand if an officer is more strict, if he is harsher and more cruel, then he is considered to be a strong man of the Government. I just remember one case. There was a Superintendent of Jails in Gujrat jail. He was very kind to political prisoners, he used to be courteous to the political prisoners and he used to treat them kindly. One political prisoner was released after undergoing his term of sentence. He gave an interview to the presentations of the presentation of the pres reporter. He said: "Here is our Superintendent, he is very kind, he is after all human being, he is a very good man, he treats us all right." The Superintendent also read that report in the papers. He immediately can to that political prisoner in Gujrat and said, "My dear man, what have you done? Is it the reward that you are giving me for all the kindness. I you give this report, I am sure to be dismissed. If you want to do a good turn to me, some of the political prisoners should go and say, this Superintendent is a very cruel man, he is very harsh and he treats the political prisoners very cruelly. It is only in this way you can help me. If you begin to praise me, Government would say that I am in league with the Congress, and they would thus get me dismissed. The Superintendent in charge of President Patel who refused interviews even to legal advisers has become a Khan Bahadur. For God's sake do not tell anything in my favour." Well, Sir, this is the method of Government. Why should the Departs Commissioners, the Zaildars and these people listen to us. They know that if they are popular with us, they would be considered to be in league with us just as the Honourable the Home Member complained the other day while we were charging Government of interference in elections that practically all the Government servants voted with the Congress. He said that there was no interference by Government in elections, but on the other hand the Government servants helped the Congress in the elections by giving their votes. That was a very good admission. I think it is a fact. I do not want to conceal it.

Well, my submission is that if the Government have lost the confidence of even their Government servants, if the Government servants behave in a way that will not please the Government so long as they are given an opportunity which would leave them undetected, then what justification have the Government got to remain in this country? It is better they leave the country, unless they want to remain here in spite of us. If you think that persons who are in your pay and who are under an obligation to you, when a charge is levelled against them that they are sympathetic to the Congress, then what justification have the Government got to say in England that the Congress has got no hold in India. Even your own Government servants are supporting the Congress in this matter. That is the position which you do not realise because realisation would be the end to you. Why not be candid, why waste all this energy in this struggle. The whole difficulty is that by the fight we are carrying on with this Government, we have also to waste time with the result that we cannot do anything for the masses. More time has been spent in the struggle and we cannot do anything substantial to the masses. If we go on voting all this money to the Government for salaries, etc., what is left for the masses? Having reserved this large amount for military expenditure and for salaries of Government servants, is it possible for any Government to do anything for the masses? Is it possible for any Government to introduce mass education or to improve sanitation and public health. Your mechanisation of agriculture cannot succeed unless there is mass education, unless there is a sense of sanitation. Perhaps the Government are sorry even for this much of education which it has given to the people. If the Government are really sincere in their desire to improve the condition of the masses in this country, there should be a clear declaration that nothing would be reserved for exploiters.

Therefore, I submit that even in this Finance Bill, even within the limited scope that is possible the Government have not done anything, because they are not prepared to do anything. No tax that touches harshly the masses has been reduced. Now, Sir, can there be any difference of opinion with regard to six pies postcard? Every year this point is being debated, and so far as the postal budget is concerned, there is not even a deficit budget. The attitude of the Government seems to be that because they can get this money from the millions of people who use postcards, therefore there could be no reduction in postal rates. That is the whole position. Even this small demand, you would not accede to. Let people ery with regard to sugar industry, let there be unanimity of opinion about the abolition of sugar excise duty, even then you would not accept. Let there be unanimity of opinion on the question of Indianisation of the army, let there be unanimity of opinion that military expenditure should be reduced, even then, the Government would not do it. Let the whole of India cry that the police is corrupt that they are oppressing the people. that they would not listen to the grievances of people, even then the Government will not move in the matter. People of respectable family paying

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huge income-tax, are rotting in the Central jail, Lahore. They were "A class prisoners till now, but that concession too has been withdrawn now, because they know that if there is no appeal, the question cannot be taken up in a Court of law. The Government's position seems to be that they cannot allow any Indian political prisoner to enjoy "A" class. So far as I am concerned, I used to be a moderate. I used to blame the Congress. My own experience has been that the British officers in the district were good. They were sincere and honest men formerly. But thanks to the policy of the Government, after the Gandhi-Irwin Pact, I am convinced that the Government are not sincere. After the Gandhi-Irwin Pact, repression began in this country and to use the words of Lord Irwin, desert was created in India. How can there be any reconciliation in the face of oppression. You may hold the olive branch. You may smile. There may be expressions of goodwill, but I think it is difficult for us to trust the Government. We know that so long as the pressure remains, you wall smile. In non-co-operation days, every Deputy Commissioner and every district officer was telling us "Why are you creating all this trouble, you are going to have self-government within ten years". Where is the selfgovernment? Repression after repression has been going on in this country, the whole country was terrified. Every Englishman thinks that by repression the Englishman has reconquered India. You will go on smiling. But I tell you that if only we organize the masses and if we develop strength in us, would you come again with the same force and tell us "where is your Congress"? I say after this breach of Gandhi-Irwin Pact, we cannot trust you. Even when our moderate people, when they went to the Round Table Conference at your invitation, you would not listen to their advice so long as the Congress pressure of civil disobedience was not there. Your policy seems to be that you ask us to reserve all the milk that the cow gives for you, asking us to feed the cow. This is the sort of provincial autonomy that you have given this country. I say we will return the cow. With these words, I oppose the Bill.

Mr. C. N. Muthuranga Mudaliar (South Arcot cum Chingleput: Non-Muhammadan Rural): Sir, I rise to oppose the consideration of the Finance Bill. The catalogue of wrongs committed by this Government is so long that any speech of mine can only inadequately describe them. There is a Sanskrit verse which means that "even if the whole ocean was used as ink, and the whole earth used as paper, and if the Goddess of Learning were to write, she could not complete, even if she wrote all eternity, the full list of gunas of God". Similarly, if the God of Destiny used the ocean as ink and wrote on earth as paper, he could not complete the list of wrongs perpetrated by Government in our poor country. I can understand a Finance Bill in a free country, but it has no meaning in India where all of us are slaves, and where Parliamentary Government is a farce. It is an insult to call upon us to vote supplies when no real power is vested in the representatives of the people. I can only characterize this Bill as a demand by an army of occupation to continue its lease of life, and, therefore, every endeavour should be made to pack them away from this country. Look at any department of the Government. Every department has worked in defiance of public opinion, and their acts are a painful reminder of our slavery, and they constantly din into our ears that this is a foreign Government serving only alien interests.

Taking first the Home Department, it is only the storehouse of all weapons for forging more and more fetters on India. Is the personal liberty of anybody secure? Every one is in constant dread of being clapped into jail without being given any opportunity of defending himself. Look at our most unfortunate countrymen in Bengal where the best youths are pining in detention, for what crime, they know not. Is it that they love their country? Is there any civilized Government which locks up men in jail in times of peace or keep under detention people against whom you can prove nothing? The brutal way, in which law and order was enforced in India during the last non-violent struggle of the people of this country, is still fresh in our memory. I submit that this Home Department does not deserve to continue any longer. The way in which it utilizes secret service funds is mysterious. There is a Tim of Rs. 3,60,000 under secret service contingencies (unaudited). I and police informers to betray their countrymen. The most important reform needed in this country is the revision of salaries paid to officials mostly foreign. When the cry for Indianisation was reised, the Government with great skill kept up the difference between Imperial and provincial service officers. The original idea of the Indian National Congress of earlier days was to substitute gradually the Indian element for the British element with the ultimate idea of adjusting the salaries to Indian standards. What has happened is that the number of posts has been increased, and for every Indian who has got into the I.C.S., or I.P.S., many more posts have been created in other departments of Government to which Europeans, competent and incompetent, were indiscriminately appointed, and I challenge the Honourable the Finance Member to deny that either the number of Europeans or their total emoluments is less than it was, say, ten years ago. I assert it is far more, and we shall not rest content until every European on his present scale of pay and allowances is replaced by an Indian. If, of course, Europeans are needed by us and if they are willing to accept our terms, we shall take them, but we shall continue to resist the present system by which Britishers and other foreigners, competent or otherwise, are dumped upon us by the Secretary of State and their pay and allowances are included under non-voted expenditure. Under the recent change introduced in the method of recruitment for I.C.S., we are not even going to get a good capable Britishers but a lot of snobs whose only qualification will be probably their influence with the people in high places and as a writer in the Manchester Guardian recently put it, what is sought to be perpetrated is "the old school tie". I have been putting a series of interpellations about the revision of pay for these Imperial services, but the Home Member has been giving evasive answers. It is an acknowledged fact -that the average income of an Indian is only seven pice a day, the real income of the majority is much less. The salaries paid here are far in excess of those paid in England or United States, two of the richest countries in the world where the standard of living and the average of income is high. If the Government had been honest in its profession of trusteeship, it would have fixed salaries at rates prevailing in countries more or less similarly situated. They have taken good care to fix the lowest scales at famine rates while the top scales are fabulously high. I can only hope that the Congress ideal of a maximum salary of Rs. 500 will come into force. A word about the Public Services Commission. I

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feel that the composition of the Commission is not calculated to inspire confidence in the public mind. Most of the Members of the Commission are service men or ex-service men. The Chairman must be a man with judicial experience. The present Chairman, till recently the Chief Secretary of the Government of the Central Provinces, and Mr. Eyre Gordon, Member of the Executive Council, has succeeded to Sir David Petrie. himself an ex-police officer, when he vacated office in October last. I cannot understand why an Indian has not been appointed as Chairman ever since the constitution of the Public Services Commission in the year 1926

Moreover, the present strength of the Commission is too heavy. It is within the knowledge of the House that the Home Department has taken under its own control some portion of the work of the Public Services Commission, and there is a separate branch in the Home Department recently created to deal with the postings of subordinates to the various Departments on the results of the Public Service Commission examination. The Public Service Commission are now conducting only the all-India service examinations and with so much of their work reduced. we expected that the number of Members comprising the Public Services Commission would be reduced and an Indian appointed to be Chairman

at the earliest opportunity.

With these few observations, I shall take up the Commerce Departdepartment is presided over by my ment. This Zafrullah I Khan. Sir Muhammad am more that behind his convinced sweet words. he something more dangerous. He does things with such mined purpose that no amount of public criticism will mo a determove him to deviate one inch from the policy he has chalked out for himself. In fact, he has done so much harm to this country that even a European Member. if he were to preside over this department, would shrink from doing. At the bidding of the Finance Member, the Commerce Member has, with one stroke of pen, abolished the Tariff Board. His predecessors never dared to take such a step. It is very inconvenient for foreign vested interests to have this Tariff Board constantly sitting as a nightmare, for, at any time applications will come for protection from Indian industries which are throttled by cut throat competition. To give no room for such applications, our obliging Commerce Member has done away with the Tariff Board. That the Commerce Member is not able to withstand the pressure from European interests, is borne out by many more acts of omission and commission on his part. A series of questions were put in the Assembly about the absorption of "Dufferin" Cadets in the P. & O. ships, but the Honourable Member stood adamant without giving us any hones that he would move in the matter. What is the state of coastal shipping? What are the facilities which Indian coastal shipping gets against foreign vested interests? Recently when the Scindia Steam Navigation Company asked for help for running a mail service from India to Europe, our Indian Commerce Member turned down that request. In the matter of trade agreements between India and foreign nations, including England, the interest of India is always made to play a subordinate part to Imperial interests. It is more than a year, since this House in most unmistakeable terms denounced the Ottawa Agreement. That agreement has not been replaced by a more equitable one suited to the interests of India.

What is the part played by the Commerce Member in the development of sugar industry? Did he ever represent to the Finance Member the great harm done to sugar industry by the imposition of a heavy excise duty? What has he done in the matter of Railways which is also under his charge? The single Indian who found a place on the Railway Board has been replaced by a European with the result that there is no Indian on the Railway Board. All the promises given by his predecessors were thrown to the winds. Every one of his action shows that he has the interest of the Europeans more at heart than the interest of Indians. Even the little power that this Assembly had in railway administration has been taken away by the proposed establishment of a Federal Railway Authority. We, in the Congress, have always maintained that the Government, as at present constituted, never keep promises, and the latest instance of that is the bringing in of a European as 3 Financial Commissioner of Railways. It is sad to reflect that an Indian Executive Councillor should be a party to replacing an Indian by a European. Even in the case of the Director of Establishment of the Railway Board, when Diwan Bahadur Mathra Das took leave that place was filled by the appointment of a non-Indian; and when that place is permanently vacated by retirement, it will be permanently filled by a European. The Honourable the Commerce Member, in reply to a question the other day, excused himself for the non-appointment of an Indian Financial Commissioner on the ground that no suitable Indian was available. In that case what prevented the Honourable Member from extending the tenure of Sir Raghavendra Rau? The House is already aware that the Railway Member has already given an extension of about 21 vears to Sir Guthrie Russell. Following this precedent, the services of Sir Raghavendra Rau could have been very well extended. Therefore, I am driven to the conclusion that the plea of non-availability of an Indian is only a lame excuse. The fact of the matter is that the Railway Member is anxious to advance the cause of Europeans and not that of Indians, perhaps to please his chief the Finance Member.

The Assembly then adjourned till Eleven of the Clock on Monday, the 15th March, 1987.