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COUNCIL OF STATE.

Thursday, 23rd March, 1939.

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

QUESTION AND ANSWER.

LOAN OF OFFICERS TO INDIAN STATES, RULING PRINCES, FOREIGN GOVERNMENTS, ETC.

208. THE HONOURABLE MR. M. N. DALAL : (a) Will Government state how many public servants under the Crown in India, whether civil or military, have been lent to services other than that of the Crown in India, viz. :—

- (i) Indian States or Ruling Princes in India,
- (ii) Foreign Governments other than those of the Indian States,
- (iii) Statutory bodies or Corporations like Municipalities, Port Trusts, Railways, etc. ; mentioning the particular services from which such officers are lent ?

(b) Will Government state what arrangements are made, or rules provided, in general, for lending such officers from the service of the Crown in India to Indian States or Ruling Princes, foreign Governments, or other services, particularly as regards the payment of the emoluments of such officers ?

(c) Will Government state what arrangements are made for contribution towards the leave and pension allowances of such lent officers, and how do these arrangements react upon the finances of the Government of India, and of the States, Governments, or Corporations to whom the loan is made ?

(d) Will Government state whether, in view of the frequent loan of their officers, they maintain the public services under the Crown in India at a strength greater than would be required by the needs of the services themselves in order to permit of such loans being made, or because of officers being on leave, or indisposed, or away from their posts for other reasons ?

(e) Will Government state at what actual strength the various public services are maintained, how many of the officers in each service are actually on duty, and how many are on loan or on leave, deputation, or otherwise not at their post ; how many are holding acting or officiating appointments, and how many are in receipt of pension or other superannuation allowances ?

THE HONOURABLE MR. A. J. RAISMAN : (a) to (c). Most of the information asked for is not readily available and cannot be collected without expense and labour which would not be justified by the value of the results obtained. I may, however, refer the Honourable Member to Volumes I and II of the Compilation of the Fundamental Rules and the Supplementary Rules issued by

the Accountant General, Posts and Telegraphs, which contain rules and orders relating to foreign service. Copies of these publications are available in the Library of the House.

(d) and (e). I would refer the Honourable Member to the reply given to his questions Nos. 174 and 176 on the 13th of March, 1939.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, may I ask whether Government can tell us the number of I. C. S. officers who have been lent to the Indian States ? Would the collection of figures relating to the I. C. S. mean much trouble ?

THE HONOURABLE MR. A. J. RAISMAN : That was not the question asked.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That is part of the question, is it not ?

THE HONOURABLE MR. A. J. RAISMAN : It is a very different thing. We were asked for a particular figure. We were asked how many public servants are required ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Can the Honourable Member supply the figures I have asked for now ?

THE HONOURABLE MR. A. J. RAISMAN : If the Honourable Member will put a question on the paper.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I have asked a question. Does not this question arise from the question already asked ?

THE HONOURABLE MR. A. J. RAISMAN : I certainly require notice. I do not carry these figures in my head.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Will the Honourable Member lay the information on the table subsequently ?

THE HONOURABLE THE PRESIDENT : It is your privilege to insist on notice if you wish.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : It is his privilege not even to answer the question, Sir. I do not think that he needs to be reminded of it by you.

THE HONOURABLE THE PRESIDENT : The Government Member is not bound to answer any question.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I respectfully think that we need your protection more than the officials.

THE HONOURABLE THE PRESIDENT : If he wants notice, he will give you the information. My protection is always extended to both officials and non-officials.

**RESOLUTION *RE* INCREASE IN RECRUITMENT OF INDIANS OF
PURE DESCENT TO SENIOR SUBORDINATE SERVICES ON
RAILWAYS.**

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Pro-
vinces Northern : Non-Muhammadian) : Sir, I beg to move :

"That this Council recommends to the Governor General in Council to take steps to bring about a substantial increase in the recruitment of Indians of pure descent to the senior subordinate services controlled by Class I Railways and the Railway Board and to provide the same amenities for Indian employees as are provided for Anglo-Indian employees."

THE HONOURABLE THE PRESIDENT : May I just ask you one question before you proceed any further ? What is meant by "Indians of pure descent" ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Non-statutory Indians.

THE HONOURABLE THE PRESIDENT : I just wanted to know.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, my Resolution refers to disabilities of two kinds which Indians suffer from,—those relating to their employment in the senior subordinate services and those of a more general kind. The latter relate to what may be called amenities and the general position accorded to Indians. Before I deal with the two aspects of the question to which I have just drawn the attention of the House, I should like to point out what the present position is. The services that I am referring to are those the members of which are on scales of pay rising to Rs. 250 per mensem or over. Now, according to the latest report of the Railway Board, on the 1st April, 1938, 13·62 per cent. of the senior subordinate posts were held by Europeans, and 42·61 by Anglo-Indians. Thus about 56½ per cent. of the posts are in the hands of the Europeans and Anglo-Indians taken together. The Indians to whom my Resolution refers occupy only 43½ per cent. of these posts.

Sir, the disadvantages which Indians suffer from in the matter of appointment to the subordinate grades have been before the country since it received definite and authoritative information regarding the favouritism shown to Anglo-Indians from Sir Mahadev Chaubal's Minute of Dissent from the Report of the Public Services Commission which was published in 1917. During the last 10 or 12 years, this question has been discussed more than once in the Central Legislature. The House would, therefore, naturally like to know to what extent the opinions expressed in the country and in the Legislature have modified the previous Government policy. For this purpose I think we might well compare the figures relating to the employees in the senior subordinate services on the 1st April, 1928, and the 1st April, 1938. Now, if this comparison were made, it would be found that the Europeans who occupied 24·77 per cent. of the posts on the 1st April, 1928 held no more than 13·62 per cent. of them on the 1st April, 1938. Thus, there has been a reduction in their case of a little over 11 per cent. The figures relating to the Anglo-Indians are, however, of a different kind. The Anglo-Indian percentage in 1928 was 43·18 and in 1938

[Pandit Hirday Nath Kunzru.]

it was 42·61. That is, the percentage has gone down, roughly speaking, by half per cent. only. The share of the classes referred to in my Resolution has certainly increased during these 10 years, but this is due entirely to the reduction in the number of Europeans. My Honourable friend the Chief Commissioner may say to me, "How does it matter to you how we provide for a larger appointment of Indians? It is for us to see whether we will have less Europeans or Anglo-Indians. So long as more Indians are appointed you ought to be satisfied". I understand Government pride themselves on the policy of not allowing any community to occupy a preponderant position in any branch of the public service. So great is their anxiety on this subject that they do not want that even in a particular community, any class or section in it should occupy a large proportion of the posts allotted to that community. We are, therefore, justified in examining the figures relating to the various communities.

I have already said, Sir, that notwithstanding the dissatisfaction with the policy of Government in the matter of the appointment of Indians and Anglo-Indians, Government have not changed their policy during the last 10 years in the matter of the appointment of Anglo-Indians. Now, let us see why it is that Anglo-Indians are so largely employed in the posts with which I am dealing. Sir, Government appointed an officer on special duty some time ago, whose name, I think, was Mr. Hassan, to consider the question of giving the minorities their fair share of the superior and subordinate posts. Dealing with the position of Anglo-Indians, he says :

"In some cases they possess technical qualifications for certain posts for which technically trained Indians were not until recently available, and to these reasons must be added the undoubted fact that in days gone by they were given special preference for railway service".

I am sure most people here and perhaps the Chief Commissioner himself in his heart of hearts will agree, that partiality had more to do with their selection than the possession of any technical qualifications. This was the reason to which the Anglo-Indians owed their rise. Is it not the duty of Government to see that the position is changed so that justice might be done to all communities? The Government Resolution of July, 1934, which fixes the proportions for the various minority communities, goes into this question at some length. It says in the first place that as the Anglo-Indians have been dependent to a large extent on employment in railway service—

"steps must be taken to prevent in the new conditions anything in the nature of a rapid displacement of Anglo-Indians from their existing position which might occasion a violent dislocation of the economic structure of the community".

I for one, Sir, have no objection to the language used in this Resolution. However great the injustice that might have been done to Indians in the past, I am prepared that the Anglo-Indians should be given some time to adjust themselves to the new situation. Let us see, therefore, whether the actual instructions issued by Government will enable us to realise that object. Paragraph 9 of the Resolution that I have referred to, which was issued in 1934, states that the Anglo-Indian and domiciled European community have 8·8 per cent. of all grades of subordinate posts on the railways. It then goes on to suggest methods by which their position might be safeguarded. It reduces their percentage for the future and suggests that 8 per cent. of all vacancies to be filled up annually should be reserved for members of this community, that is, that their recruitment in the future should be reduced by about 9 per cent. This total percentage is to be obtained by fixing a separate

percentage for each railway and each department of the railway service in which the Anglo-Indians are engaged.

Now, the first point that requires consideration in this connection is whether there is anything in these provisions which would give any incentive to the Anglo-Indians to give better education to their children than they now do and to prepare themselves for meeting the other communities on equal terms in the struggle for life. Mr. Hassan, in his Report, considering the special position of the Anglo-Indians, said :

“ would it not be fair to give them reasonable time to adjust themselves to the changed conditions ? ”

I venture to think that Government in their Resolution have said nothing to show that the provision now made would be only of a temporary character and that it would be revised from time to time in accordance with the spirit of the observation made by Mr. Hassan. Another thing which I am rather puzzled about is the total percentage of the subordinate posts held according to the Government Resolution by the Anglo-Indians. The Resolution states that 8·8 per cent. of the posts is held by them. I have tried to calculate this percentage myself, but I am unable to understand how this percentage has been arrived at. The Railway Board sent a memorandum to the Railway Administrations along with the Resolution that I have referred to. In the annexure to that memorandum it is stated that the percentage of Anglo-Indians to the total subordinate staff was 7·04 in 1932. Now, I have calculated the figures for 1934, because they could have been the latest figures before Government before they issued their Resolution, and I find that the Anglo-Indian percentage was only about 7·57 in 1934. In 1935 it was only 7·3. I hope that my Honourable friend the Chief Commissioner will enable me to understand the discrepancy between the figures given in the Resolution of 1934 and the figure given in the annexure to their own memorandum and figures for 1934 and 1935 which can be calculated from the data provided by the Railway Board in their own reports.

Now, Sir, I have already said that so far as this recruitment is concerned it does not appear that it is going to be temporary. On the contrary it seems that it is going to be permanent ; at any rate Government have held out no hope of its revision at an early date. This is unsatisfactory, extremely unsatisfactory. But let us see whether the instructions of Government, however objectionable they may be, are being given effect to. Well, I turned to the latest report of the Railway Board and found that although Government had prescribed that 8 per cent. of the recruitment should be from Anglo-Indians the percentage of the actual recruitment both permanent and temporary from them was 9·2. In the permanent posts it was 10·9. In temporary posts it was 8·3, which is practically the same figure as that recommended by Government. Now, when I looked closely into the figures I found that the Company-managed railways had to a large extent failed to give effect to the recommendations of Government. The B. N. R. which has figured so much in our debates recently—and we all know what a very valuable asset it is to us—has departed from the percentage laid down by Government to an abnormal extent. The percentage recommended by Government for that Railway was 10·6, but so far as permanent appointments are concerned the actual percentage of Anglo-Indians was 27·7. The M. & S. M. R. has been equally unmindful of the percentage recommended to it by Government. Government proposed a percentage of 11·3 for the appointment of Anglo-Indians, the Railway however has given 21·8 per cent. of the permanent appointments to the Anglo-Indians. I have not taken the temporary posts into account because after all it is the permanent posts that matter, and so far as both kinds of posts

[Pandit Hirday Nath Kunzru.]

are concerned I have given the average percentage for the combined recruitment in respect of both.

Now, Sir, the picture will not be complete unless I point out that Anglo-Indians predominate in certain departments, for instance the Mechanical Engineering and the Transportation Departments. I find here that there are some railways which have practically allowed them to have a monopoly of the posts in the Mechanical Engineering Department. The general percentage for all railways so far as the Anglo-Indians in the Mechanical Engineering Department are concerned is 69, but the percentage on the E. I. R. is 76 and on our very valuable B. N. R. 84·5. In the Transportation Department Anglo-Indians occupy 54·3 per cent. of the posts, and so on. I may sum up the result of all this by pointing out the effect on total recruitment in respect of services with which my Resolution deals in the E. I. R. and the B. N. R. While the general average for all these services in the case of Anglo-Indians is 42·61, that on the E. I. R. is 61·5 and on the B. N. R. 60. Surely, Sir, this state of things calls for rectification, and vigorous and immediate rectification at the hands of Government.

Owing to the preference given to Anglo-Indians the position practically in the E. I. R., with which I am most familiar is that in the Engineering Department the Indians have hardly any footing in the superior posts. Take for instance the locomotive sheds and shops. So far as I can judge from the names of the employees, all the posts of foreman and assistant foreman in the various locomotive sheds at the junction stations and also in the locomotive shops at Jamalpur and Lucknow are held either by Europeans or Anglo-Indians. Then, Sir, all the outdoor and shed inspectors in the locomotive department are Europeans or Anglo-Indians. These classes have a monopoly of all posts of foremen and assistant foremen and inspectors in the Electrical Department also. I asked for figures relating to the Carriage and Wagon Shops last year, and according to the information supplied by the Chief Commissioner for Railways it appears that, taking both the Lillooah and Lucknow shops of the E. I. R. into consideration, there was one Indian foreman and three Indian assistant foremen. The question naturally arises what is going to be done for the future in respect of the Mechanical Engineering Department? Training is given to apprentices at the Jamalpur training school. Now, I have been able to get figures for the year 1936-37 and I find that 58 per cent. of the candidates chosen for training at that school in 1936-37 were Anglo-Indians. I have been informed, though I do not know with what degree of accuracy, that Government have recently decided that at least 52 per cent. of the places in the school should be reserved for Anglo-Indians. Now, this shows, Sir, that we can have very little hope of any change, of a substantial change, in the present state of things if the policy of the Government remains as I have shown it to be. If Anglo-Indians had been given preference because of their superior educational qualifications, no one could have seriously taken any objection to it on the grounds of fitness or efficiency; yet it is very well known that the initial educational qualifications prescribed in their case are low and sometimes even these low educational qualifications are waived, because the number of Anglo-Indians desired by Government would not otherwise be forthcoming. If we take the G. I. P. R., we find the same state of things in the locomotive and carriage and wagons shops at Parel, Matunga and Jhansi.

I could, if time permitted, deal with the Traffic Department too, but instead of dealing with any new branch of service, I should like to devote the

little time that I have now to dealing with the other grievances of Indians, namely, those in respect of rank and amenities.

There is a school known as the Oakgrove School where only Anglo-Indian children are educated at considerable expense to the State. My Honourable friend the Chief Commissioner shakes his head. Perhaps during the last few weeks he has been wise enough to take steps to see that one or two Indians receive education there. But the fact remains that the school is meant for the education of the children of Anglo-Indian employees on the N. W. R. and E. I. R. The Headmaster of the School and some of the Assistant Masters also are gazetted officers. The Indian High Schools are not smaller than the Oakgrove School so far as my information goes. Some of them are bigger than the Oakgrove School. Only one of the Indian Headmasters however is a gazetted officer and this in spite of the fact that at least in the United Provinces Headmasters of all the high schools belong to the gazetted service.

Then, I pass on to the question of the general amenities provided for Anglo-Indians but which are not provided for Indians. I referred last year to some of these questions, namely, the provision of nurses and trained midwives, and arrangements for dealing with Indian maternity cases. I understand that some attention has been paid to the question of providing nurses and appointing Indian nurses, but very little progress has been made in that matter. So far as maternity cases are concerned no provision is made for them in respect of Indians, even in those places where non-railway medical facilities are not available, although the fullest facilities are provided for Anglo-Indians. Hardly anything has been done with regard to the provision of trained midwives, and as for nurses, although they have been provided, I understand that Indian patients are mostly left to be attended to by ward coolies. Then, Sir, take the provision made by the railway for the recreation of their employees. There are few Indian institutes with covered auditoriums or rooms big enough to enable the members to meet, although the membership of these institutes may be much larger than that of the European institutes in the same locality. It is a matter of common knowledge that the Indian institutes are, compared with the Anglo-Indian institutes, of a very inferior standard. The same discrimination is made in the matter of the equipment of the running rooms and rest houses and I understand that Indian employees in the N. W. R. have to make the same complaint with regard to the inferior character of the Indian institutes as the Indian employees of the E. I. R. Then, take swimming pools and tanks. They are the close preserves of the Europeans and Anglo-Indians on the E. I. R. They are not allowed to be used by Indians at all, although Indians are prepared to arrange for having them filled with water at their own expense at least in some cases.

Sir, the illustrations that I have given, I think, will suffice to convince the House that an injustice, and a grave injustice is being done to Indians in the matter of appointment to the senior subordinate services. No one can get an adequate idea of the state of things who relies for an appreciation of the position merely on the percentage of Anglo-Indians to the total subordinate staff. It is well known that Anglo-Indians generally are not appointed to the lowest paid posts; they are mostly to be found in comparatively better paid posts. In any case it must be a matter of serious concern that nearly half of the better paid posts should be in the hands of the members of one community. I am not inspired by any antagonism towards Anglo-Indians. I am prepared to recognise their special position. I recognise the need for dealing with them generously; but the policy that the Government is following will only create opposition against Anglo-Indians and defeat the object which they and the Anglo-Indian community have in view. I suggest, Sir, that the Government

[Pandit Hirday Nath Kunzru.]

ought to revise their policy in two directions. In the first place, they ought not to allow the notion to prevail that the percentage now laid down by them for the recruitment of members of the Anglo-Indian community has any permanence about it. Let them make it clear that the preference given to the Anglo-Indian community is only temporary to enable it to prepare itself to play its part in the different services of Government in the new order of things without such support. In the second place, whatever the Departments in which the Anglo-Indians may be largely employed now they should not be allowed such a large preponderance in them as would lead to the practical exclusion of Indians. The figures that I have given show that at least on the E. I. R. Indians cannot hope to enter the Mechanical Engineering Department in any responsible capacity. This is a state of things that is wholly indefensible. I trust that my Honourable friend the Chief Commissioner when he rises to speak will be able to deal with these points.

There is just one other thing, Sir, that I should like to refer to before I sit down. I have received information from various railways that there is a general idea abroad that the Government are trying to raise the initial salary of the low-paid posts in the case of Anglo-Indians. I understand that it is being considered whether the pay of posts carrying an initial salary of Rs. 25 or Rs. 30 may in the case of Anglo-Indians be raised to Rs. 60 or a higher figure. I have even been told that, if the proposals that are under consideration materialise, the increase resulting from the augmentation of the salaries would not be shown in the Railway budget but would be made a part of the Defence budget where it would be virtually impossible to trace it. I hope that this information is wrong, but considering the policy that the Government are following, I should not be surprised if it turns out to be right.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to support the Resolution and I will give a few instances to prove that Indianisation in certain branches of certain departments is not progressing favourably at all. Some time back, Sir, there was a paucity of Indians in the posts of Transportation Inspectors on the various railways and I was therefore obliged to bring in a Resolution in this House, which Resolution, if I mistake not, was accepted. Well, since then, the progress has been very slow. For instance, on the G. I. P. R., where there are 20 Transportation Inspectors, there is not a single Indian. By Indian I mean pure Indian and not an Anglo-Indian. In Bhusawal, out of eight Transportation Inspectors there is no Indian, in Jhansi out of five there is none, in Jubbulpore out of three there is none, in Sholapur out of two there is none, and in Bombay out of two there is none.

Then, Sir, I take the E. I. R. What is the fate of the Indian there in this particular branch ? In the Howrah division, out of 12 Transportation Inspectors there is no Indian. In Asansol out of nine no Indian. In Dinapore out of eight there is no Indian. There is one Mr. Paul there, but I cannot make out whether he is a European or an Indian. If he is an Indian, perhaps we have one out of eight in the Dinapore division. In the Allahabad division out of 10 we have one Indian. In the Lucknow division out of four we have one Indian. And Moradabad has none out of four. So, on the E. I. R. there are only two Indian Transportation Inspectors out of 47.

Then I come, Sir, to the N. W. R. In that Railway up to 30th September, 1937, of course, owing to the sympathetic attitude of the authorities the result

has been a little better than the other railways. Now, Sir, in the Delhi division out of seven Transportation Inspectors there is one Indian. In the Ferozepore division out of six there is one Indian. In the Karachi division out of six there is one Indian, and in Lahore out of eight there are three Indians. In Quetta there is one out of three, and in Rawalpindi one out of seven. That means that out of 42 Transportation Inspectors there are only eight Indians.

This question, Sir, has been pressed upon the Railway Board since the last, I should say, 12 or 15 years, and the result has been very discouraging. I do not know, Sir, why in this particular branch Indians are being discouraged and not given the posts which they fully deserve.

Then, Sir, I will pass on to the mechanical side. There, Sir, it pains me to note that after 75 or 100 years of railway administration, the Indians have not been either trained so as to occupy these posts owing to indifference of the foremen. Of course, Sir, these foremen generally do not come from the educated classes and they feel sore to train anybody and particularly Indians. Sir, on the N. W. R. the number of foremen officiating and permanent (perhaps there are only two permanent and three officiating), out of 49 foremen there are only five Indians, and on the E. I. R., I am sorry to say there is not a single Indian out of 31. So, Sir, it seems that these two departments are being grossly neglected and I hope that the Honourable the Chief Commissioner for Railways will throw some light on this matter because he comes from the G. I. P. R., where he was Agent before he came here as Chief Commissioner—why it is that on the G. I. P. R. there is not a single Indian holding the post of Transportation Inspector? And on the E. I. R. there is not a single Indian as mail driver.

Sir, as regards the other services, the Honourable Mr. Kunzru has dealt with them in a proper manner. I know that things are moving on the N. W. R. a good bit and I give the authorities credit. But they are moving too slow. Therefore, Sir, it is imperative on the authorities concerned to Indianise these particular branches of the services as is being done in the other branches, and not earmark these branches of service for only Europeans and Anglo-Indians.

Now, Sir, I come to the senior services. I do not want to tire the House with figures but I must say, Sir, that there the progress is very slow. And therefore I will say that justice requires that Indianisation ought to be seriously carried out and that the grievances of the people who are in the various departments and who are not being promoted ought to be considered.

With these few words, Sir, I give my support to the Resolution.

*THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan): Mr. President, the Honourable Mover has done a great service in bringing this Resolution before the public. The wealth of figures which he supplied shows conclusively how great is the injustice which is being done to Indians of pure descent, as he puts it. Government, in their Resolution of 1934, had decided that 8 per cent. should go to Anglo-Indians. But by stage managing by the railway administrations, these posts have been reserved for the Anglo-Indians, not in all the services, but in certain specified services which are

12 Noon.

highly paid and in which the chances of promotion are great. Although the over-all percentage might become a little higher than the fixed quota, yet, if you go into details, you will find, as the Honourable Pandit has illustrated, that there are services which have become almost the monopoly of Anglo-Indians and Europeans and Indians are only rarely found in them. It is rather strange that in our own country we

* Not corrected by the Honourable Member.

[Mr. Hossain Imam.]

should be looked upon with so much suspicion and that our position should be so insecure. That Indians are able to perform every task which is placed in their hands would be apparent from the fact that in the gazetted ranks, the engineering, transport, commerce, and other services you are now taking Indians. That Indians are able to hold posts of the highest order in industries also proves conclusively that there is no inherent drawback in India. We, on our side, are prepared to concede that in former times it was not possible for Government to get Indians of the right stamp for certain posts. But our complaint is that Indians are not available because Government did not open the doors for these services. It is only when once you open the door that there is an incentive for a man to specialise himself in a certain line. A long reply was laid on the table by the Chief Commissioner in reply to one of my questions of last year in this session. I find from that reply that almost all the superior posts in the subordinate department are held either by Anglo-Indians or Europeans. The issue of Indianisation has been much clouded by the inclusion of Anglo-Indians in the category. At the present moment the tendency of the Railway Administration is to give a sort of helping hand to the Anglo-Indian community and a step-motherly treatment to Indians other than Anglo-Indians. The B. N. R., as usual, heads the list of those who disregard the Central Government and the Railway Board. That there should be 84 per cent. Anglo-Indians in the Engineering Department, for instance, shows one of the causes why it is so expensive. The rate of pay admissible to an Indian of pure descent and to an Anglo-Indian in the departments in which both are admitted would show the difference in scale. Take the scale for guards. You usually pay a European or Anglo-Indian guard much higher than an Indian in the same cadre.

When I first saw the Resolution, I had my doubts about its latter part where the Honourable Mover asks for the same amenities. I thought this rather wide. I thought perhaps he meant that the pay and emoluments should be the same for Indians and Anglo-Indians. But he has carefully stated that he did not ask for this. What he wants is general amenities like hospitals, nurses, swimming pools, institutes, and so on. It is one of the cardinal principles of modern politics that labour should be given as many amenities as may conveniently be possible, and especially there should be no discrimination among the workers. From that standpoint, I also endorse the demand of the Honourable Pandit. The Railway Administration are going to reserve a high percentage of recruitment at Jamalpur to Anglo-Indians. I cannot see how an Indian Administration can place that embargo on the admission of Indians. Formerly, you have stated that the reason for the greater appointment of Anglo-Indians was special technical qualification. Now, you are going to perpetuate it. You have had loaded dice in their favour and you are going to load the dice again that they shall for all time to come enjoy a privileged position. That should not be the case in the future at least. If we cannot undo the past, as prudent men we should take care to see that such things do not happen in the future. This opening of the Jamalpur Institute was primarily meant to accelerate Indianisation of technical engineering posts. If that one source of admission of Indians is to be blocked with Anglo-Indians, then there will be very little hope left for the Indians to get into these technical posts. I for one am unashamed to say that in India I would not mind a reservation for the minorities. But that reservation should be a straight reservation. Reservation of 8 per cent. should mean that that percentage should apply to all services. The low paid subordinate service does not attract Anglo-Indians. So you make up for that in the highly paid posts. If that is the principle which the Government are going to adopt in the case of Anglo-Indians, may we ask if

they would do the same for the Mussalman minorities? What would be left to the general public—I mean to the Hindu community? They will only have admission into the lowest paid grades of the subordinate service. That, the Railway Administration will itself admit, would be injustice. Therefore, the justice of the claim of the Honourable Pandit Kunzru is well established and I hope Government will see their way to give the matter the consideration which it deserves.

Sir, I support the Resolution.

THE HONOURABLE SIR GUTHRIE RUSSELL (Chief Commissioner for Railways): Sir, I propose to follow the same scheme that the Honourable Member followed, and try and deal with his protest in regard to the employment of Anglo-Indians as against Indians of pure descent and then go on to the general details which he dealt with. I think as a preliminary I should state what the position of Government *vis-a-vis* the Anglo-Indians is and what their commitments are. Now, under Chapter II of the Civil Service Regulations, section 37, a Native of India is defined as—

“a person domiciled in India and born of parents habitually resident in India and not established there for temporary purposes only”.

And I think I am correct in saying that in their Indianisation policy the Government of India have always included domiciled Europeans and Anglo-Indians. I would also refer the House to the Resolution of the Home Department dated 1928. This reads as follows:

“Complaints have been made both to the Secretary of State for India and to the Government of India to the effect that Anglo-Indians and domiciled Europeans, though falling within the definition of ‘Native of India’ contained in article 37 of the Civil Service Regulations, have not always been regarded as such for the purposes of recruitment to the public services and have even been discharged to make room for Indians in schemes of Indianisation. While the Governor General in Council is satisfied from the inquiries he has made that there has been no practice of displacing Anglo-Indians to make way for Indians, it is possible the fact that Anglo-Indians have the legal status of Indians and are eligible for appointment in vacancies reserved for Indians may on occasion have been overlooked. This would be contrary to Government’s published policy and intention and in order to set the matter beyond all doubt and to obviate all misunderstanding of the position in future, the Governor General in Council is pleased to declare that Anglo-Indians and domiciled Europeans who fall within the definition of ‘Native of India’ quoted above shall be regarded as Indians for the purposes of recruitment to the public services and in connection with schemes for the Indianisation thereof”.

The next Resolution of importance was the one already referred to by the Honourable Mr. Kunzru, dated 4th July, 1934, which laid down the minimum proportion on railways and in other services for the employment of Anglo-Indians. While on this I might mention one thing. The Honourable Mr. Kunzru stated he could not understand how 8·8 had been arrived at and he said the percentage was 7·5. I think it is very unusual in him to make a mistake. The 8·8 per cent. is for the year ending 31st December, 1932 and is for Anglo-Indians and domiciled Europeans combined. The percentage for Anglo-Indians in that year was 7·04 and the percentage for domiciled Europeans was 1·76 and that makes up the 8·8 per cent.

We have also got section 142 of the Government of India Act, 1935. I do not think I need read that to the House because I am quite sure you all know it. That is the position, what are the facts? My Honourable friend has quoted certain figures. He compared 1928 with, I think, 1938. Actually our figures go back to 1924-25. Before that we have no statistics. Now, may I quote the figures for 1924-25 as compared with 1937-38. The percentage of Indians in the senior subordinate services, that is as defined by my Honourable

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friend those who can rise to Rs. 250 per mensem or above, on State-managed railways in 1924-25 was 65·2, on Company-managed railways 76·8. In 1937-38 the comparable figures were, State-managed railways 86·24, Company-managed railways 86·67. If we exclude Anglo-Indians and domiciled Europeans the figures for Indians of pure descent in 1925-26—that is a year later as we have no figures for 1924-25—on State-managed railways are 25·60 and on Company-managed railways 27·38. Now, the comparative figure is 44·27 for State-managed railways and 42·86 for Company-managed railways. I believe these are the actual figures quoted by my Honourable friend.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is the combined figure for both Company and State-managed railways for Anglo-Indians in the year 1925-26?

THE HONOURABLE SIR GUTHRIE RUSSELL: Well, if you deduct the figures I have already given for Indians of pure descent from statutory Indians you will get a figure of about 42 per cent.

Now, before 1924-25 there are no figures available, but if you could get the figures I know from my own personal experience that they would be rather startling. When I came to India 25 years ago in the Agent's Office on the G. I. P. R., as far as I remember practically every head of a section was either a European or an Anglo-Indian; and the same was to a very large extent true of the other headquarter offices; and I believe that was also the position on many other railways throughout India. Nowadays, if you look up the statistics you will find that in the General Manager's Office on the G. I. P. R. there is only one Anglo-Indian.

My Honourable friend Mr. Kunzru and the Honourable Rai Bahadur Lala Ram Saran Das have talked about the predominance of Anglo-Indians in certain categories. That is perfectly true. They have however entirely omitted to mention that categories in which there was a very large number of Anglo-Indians 25 years ago and which have hardly one nowadays. They have been explained almost entirely and I think it is only fair to represent that side of the case.

My Honourable friend Mr. Kunzru read out an extract from the Hassan Report in which he talked about the technical qualifications of Anglo-Indians and the special preference given to Anglo-Indians in the past, and he alleged that the special preference had much more to do with it than the technical qualifications. Well, undoubtedly in the past Anglo-Indians did get a very large share of the posts on Indian railways, but I think to a very large extent it was because they came forward in larger numbers. They were prepared to undertake work 25—30 years ago that the educated Indian was not prepared to undertake. Times have changed and the figures are changing. Indians of good education are nowadays prepared to undertake work which 25 years ago they would not have faced.

My Honourable friend Rai Bahadur Lala Ram Saran Das has referred to the engineering shops of the N. W. R., and I know quite well what he was thinking about. He was thinking about the jobs of foremen and of the recruitment of men from England. Now these jobs were advertised in India two or three years ago and we could not get the men. In deference to the wishes of certain friends in the Legislature these jobs were again advertised in either November or December of last year. Speaking from memory we got I think

about 340 applications, anyway somewhere in the neighbourhood of 300. A number of these were interviewed but not one had the qualifications necessary to be a foreman of a big workshop.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: May I put one question? The Executive Committee of the MacLagan Engineering College at Lahore is preponderatingly made up of railway officials. Why can not the College turn out properly qualified persons?

THE HONOURABLE SIR GUTHRIE RUSSELL: Many of the applications were from men who have had many years' experience in Indian railway workshops. A large number of applications came from men of that type, men with exactly the same opportunity as the ordinary man in British shops has for training, and yet they were not considered fit for the posts of foremen in the N. W. R. Shops.

Another matter referred to by my Honourable friend the Mover was the variation in percentage in recruitment of Anglo-Indians. Generally speaking, that percentage can never be absolutely correct. If each railway recruits the exact percentage, still the total may not be correct. For example, if the E. I. R. recruited 200 men and their percentage, I think, is 10, i.e., 20 men, if the G. I. P. R. recruited, say, 50 men and their percentage is about eight, i.e., four men, the total would not be 8.8 per cent. but 9.1 per cent. I think he said that the M. & S. M. R. and the B. N. R. were the villain of the piece, and I think my Honourable friend Mr. Hossain Imam asked why can't we make railways obey orders. We cannot issue orders to them. Generally speaking, Company-managed railways do follow the principles laid down by Government but there is no question of issuing orders to them in matters of this description.

THE HONOURABLE MR. HOSSAIN IMAM: Swaraj.

THE HONOURABLE SIR GUTHRIE RUSSELL: Admittedly, these two railways, as pointed out, have got a larger percentage than the minimum laid down, but I would point out that it is a minimum, and in the general Indianisation scheme there is no bar to a railway recruiting a larger number of Anglo-Indians and/or domiciled Europeans on the condition that they fulfil the qualifications laid down for employment and on the condition that they are not specially privileged except to the minimum percentage.

I think I might now turn for a few moments to the alleged differentiation in privileges and amenities. One thing referred to was nurses. I may tell the Honourable Mover that when this Resolution was put on the paper, even before it was admitted by the President, I took the precaution to write to the four State-managed railways, sending a copy of the Resolution, and asking them if there was any real substance in the allegation that Indians of pure descent were treated on State Railways worse than Anglo-Indians. I am quite prepared to let my Honourable friend see all the replies that I have got; they are too long to read out. If he comes to my room any day I can show him these replies and let him read them for himself. There may be minor cases where there has been a slight discrimination, due to a slip up on somebody's part, but it is not the policy of Government to differentiate. As regards nurses which he referred to, there is no discrimination. I think he also referred to the appointment of nurses. Certain nurses with higher qualifications get slightly higher pay than those with lower qualifications, but there is no discrimination. Now, he talked about maternity cases. Up till a few years ago, the average

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Indian woman did not want attention in a railway hospital; so I am told. Now, I have got—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: They are asking for it now; they are clamouring for it.

THE HONOURABLE SIR GUTHRIE RUSSELL: Yes, they are and we are doing our best. The N. W. R. has gone very far ahead; the B. B. & C. I. R. has also gone very far ahead and I trust as time goes on other railways will follow suit. Now, he talked about institutes. As far as institutes are concerned, there is absolutely no discrimination. I myself know a certain amount about railway institutes. I had the honour of starting the first Indian Railway Institute on the G. I. P. R. in 1915—one of the first Indian institutes in India. That was at Dhond. That institute has gone on and prospered and it has got a building of its own—a very fine building. I laid the foundation stone about 1916. There is admittedly also a European institute in Dhond, but even there a certain number of Indians in the senior subordinate ranks were admitted in my time and that was round about 1916—1918. It is all very well for my Honourable friend to shake his head; I know because I was there.

Now, he mentioned running rooms and rest houses. As far as I know men of equal rank have exactly the same amenities. Actually, the other day I saw one of the latest running rooms; there was a part for Muhammadans, a part for Hindus and a part for Anglo-Indians. As far as I could see, there was practically no difference whatsoever. I think he also referred to apprentice mechanics on the E. I. R. and trained apprentices. Actually in 1937-38 the number of apprentice mechanics absorbed after completion of their training was 311; eight were Anglo-Indians, the rest were all Indians. The number of trained apprentices absorbed was 147 of whom none were Anglo-Indians. I think these are the figures he asked for.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Figures for 1937-38?

THE HONOURABLE SIR GUTHRIE RUSSELL: Yes. As regards the Oakgrove School he complained that certain masters there were in the superior service, whereas there was only one Headmaster in Indian schools. The Headmaster of the School, the Headmaster of the Boys' School and the Headmistress of the Girls' School at Oakgrove and the Headmaster at Asansol are in the superior service. The only reason for that is that Asansol is the only School which has the same standing as Oakgrove. If other Indian schools had the same standing, their Headmasters would be from the superior service.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: May I ask the Honourable Member to explain what he means by standing?

THE HONOURABLE SIR GUTHRIE RUSSELL: The size of the school. Asansol is a big school, it has about 500 pupils and Oakgrove about 450—I am speaking from memory—but the Honourable Member may have more information than that. I am not certain of the actual numbers.

I do not think there were many more points raised. I cannot tell my Honourable friend Rai Bahadur Lala Ram Saran Das without inquiry why it happens on certain divisions on State-managed railways that there are a large number of Anglo-Indian Transportation Inspectors and very few Indians.

* Sir, as the policy of Government is that Anglo-Indians are included in the policy of Indianisation, I am afraid I must oppose this Resolution.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Mr. President, my Honourable friend the Chief Commissioner for Railways began by reminding me, somewhat unnecessarily I thought, that Anglo-Indians were regarded by the Government of India as Indians. We have never said that they should be regarded as non-Indians. On the contrary it is they who have put forward the claim from time to time that they are practically a part of the British community in India. We have never disowned them, but they have claimed special privileges for themselves from time to time as a community separate from other sections of Indians. The question is not whether Anglo-Indians are Indians or not. The question is whether it is in accord with the existing policy of Government that any one community should enjoy an overwhelming preponderance in the senior subordinate services of the railways. My Honourable friend did not deal with that point at all. He only went on beating about the bush and bringing forward points which have nothing whatever to do with the case as I have represented it.

THE HONOURABLE SIR MUHAMMAD YAKUB (Nominated Non-Official) : You will find in every department that one community predominates.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Yes, but the community to which my Honourable friend belongs protested against that and he ought therefore to understand our position when we protest against the predominance of any other community. Apart from that, Sir, it is astonishing to me that any Indian instead of appreciating the position as it is should merely act in this matter as a spokesman of untenable Government views.

My Honourable friend the Chief Commissioner for Railways practically accused me of having chosen years that were favourable to my contention—

THE HONOURABLE SIR GUTHRIE RUSSELL : I can assure the Honourable Member that that was certainly not my intention. I just took the first year with which I could compare the statistics of the last year. I certainly did not want to imply what the Honourable Member suggests.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I accept the Honourable Member's disclaimer, but all the same, what he meant to show by his figures was that it was wrong of me to say that there had been only a reduction of half per cent. in the posts occupied by Anglo-Indians in the senior subordinate services over a certain period of years. I considered this matter very carefully before I chose the year 1928 for the comparison that I have instituted. The Railway Board have compared the figures for 1925 and 1937-38. But in the year 1925 separate figures were not given for Anglo-Indians. I had therefore to choose some other year. It was possible for me to choose either 1926 or 1927. I found that the percentage of Anglo-Indians in both these years was greater than in 1928. I had then to consider whether that was the normal proportion of Anglo-Indians in the services with which my Resolution deals or whether an increase had occurred on account of special and temporary causes. Now, I took the combined figure for all minority communities other than the Muslim community given by the Railway Board for 1925. I think it was 48.52. I then tried to find out indirectly what the percentage of Anglo-Indians could be. Well, I took the figures for the year 1926, I think, and I found that the proportion of Hindus and Muslims was

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practically the same in that year as in the year 1925; which has been chosen for comparison by the Railway Board. I assumed, therefore, that the proportion of the other Indian communities excluding the Anglo-Indian given for 1926 would also be the same as that which prevailed in 1925. Now this proportion in 1926 or 1927—I have unfortunately not noted down the year, but I mean the first year for which figures are available separately for Anglo-Indians in the Railway Board reports, was 3·6 for what are known as the other communities, that is, Sikhs, Parsis, and so on. Now, if we deduct this 3·6 from 46·52, we get for the Anglo-Indians a percentage of 42·92. Now, the year that I have chosen—1928—gives a percentage of 43·18. Which of these years is more favourable to the Anglo-Indians? The year 1928—the year that I have chosen—or the year 1925? I have not chosen the year 1926, which I think was mentioned by the Honourable Member because in the course of one year the European percentage went down by about 5 per cent. A large portion of it went to the Anglo-Indians. Consequently, their percentage that year was raised. But that was not the normal percentage of posts occupied by Anglo-Indians. Consequently there is no point in the contention of my Honourable friend that, if I had chosen a year earlier than 1928, I would have found that the Anglo-Indian percentage had been substantially reduced. Comparison with any of the previous years—26 or 27—would have been fallacious.

Sir, I expected my Honourable friend to say whether the percentage of recruitment for the subordinate services now fixed for Anglo-Indians by the Board was permanent or whether it was subject to periodical revision. That was the question of policy that I raised. My Honourable friend referred to a number of documents but never made the slightest reference to this important question. He asked us to consider that, when he came to India, practically every officer was a European or Anglo-Indian and that the number of Indians in all classes of posts had substantially increased during the last 20 or 25 years. If the percentage of Indians had not increased it would have been the strongest condemnation of the Government policy that could be urged here. But I myself pointed out that, while the Indian percentage had increased, the preponderance given to the Anglo-Indians in the subordinate services had practically remained what it was. How serious an effect this has on the other communities can be easily imagined. I should have thought my Honourable friend would have had something to say about it. But he tried in effect to justify the present policy by referring to the difficulty of getting Indians for the Mechanical Engineering Department. He admitted, though not in so many words, that Anglo-Indians had been given preference over Indians in the past. But he said that was substantially due to the fact that they alone came forward to perform the kind of work needed in the Mechanical Engineering Department. He also said a short time ago that when certain posts were advertised the response to the advertisement from Indians was very poor. Who is responsible for the present state of things? I should, in the first place, like to point out that there are qualified Indians. I understand—again I am speaking of the E. I. R.—that there are men with University qualifications, who are being employed in subordinate positions—in posts inferior to those occupied by less highly educated Anglo-Indians. In the second place, the systematic and determined preference given to Anglo-Indians has naturally prevented the development in Indians of the qualifications required for work in the Mechanical Engineering Department. But, whatever the faults of the Indians may be, I should like to ask my Honourable friend whether he is satisfied with regard

to the policy pursued by Government in the past. **Anglo-Indians**, he said, came forward for the kind of work that was needed, and were consequently employed. I hope he has not forgotten the judgment passed by the Wedgwood Inquiry Committee on the efficiency of the supervising grades in the Engineering Department. It pointed out that supervision was in many cases defective, particularly where modern machine tool plant was in service, and then it said that a great deal of the difficulty was due to the fact that there was unwillingness on the part of the supervising officers to take their coats off, if necessary, to show how work should be done. This is not very flattering to the Railway Department. This is not a tribute to the efficiency which has resulted from the pursuit of the policy they have followed hitherto. It is because of this policy of theirs that the Wedgwood Inquiry Committee asked that a number of European supervising officers should be obtained from England.

My Honourable friend, in reply to the complaint that certain railway administrations did not stick to the percentage of recruitment laid down for Anglo-Indians by the Government of India, said that it was impossible, from the very nature of the case, to stick closely to these percentages. Some variations are bound to occur and we have to take the result as a whole. He also asserted that there was no doubt that the Company-managed railways were loyally following the policy of Government. I ask him whether he is satisfied that what is being done today by the notorious B. & N. W. R. and by the M. & S. M. R. is right? Are their figures pretty close to the percentages laid down by Government? If he wanted to be absolutely fair, he ought to have taken notice of the figures that I drew his attention to and at least promised that he would look into them and see whether rectification was called for. The generalisations in which he had indulged are not of the slightest use, for they will not convince anybody that Government's policy is one of even handed justice.

My Honourable friend then went on to deal with the question of amenities. I must say that I am not fully acquainted with the state of things prevailing in railways other than the E. I. R. But this Railway, if I may say so, is honeycombed with racial distinctions. In the rules there may be no racial discrimination. But, since Sir George Rainy left the Government of India, I am afraid no one has seriously attempted to see that a policy of equality is enforced strictly in practice. The extent to which discrimination has been removed in recent years is, I believe, largely due to the steps initiated in the time of Sir George Rainy. Since he retired, I doubt whether the policy of the Government has changed in any important respect.

Dealing with the schools in particular, my Honourable friend said that the only criterion which had been adopted by Government for deciding whether the headmaster of a school should belong to the gazetted service or not was the size of the school. It should be very easy for my Honourable friend to get the figures relating to the number of pupils in the Indian High Schools and the Oakgrove School and see whether there is any reason for the kind of differentiation that exists at the present time. One school may have 5 or 10 or 15 or 20 pupils more or less than the other, but, generally speaking, and I am speaking from memory only, most of the schools are on the same level in this respect. I cannot say that I am satisfied with my Honourable friend's reply. He did not deal with the question of policy at all, and so far as details are concerned, I am afraid that I cannot say that I am prepared to accept the accuracy of the information supplied to him by the Railway Agents to the same extent that he is.

[Pandit Hirday Nath Kunzru.]

There was one other question of policy which I thought he would refer to, and that was the possibility of an increase in the initial pay of certain posts when they were held by Anglo-Indians. The point was of such importance that if the information that had reached me was not true, I thought he would take the earliest opportunity of contradicting it. But he has remained silent on the point. I wonder whether his silence was discreet or was only due to forgetfulness. We shall soon know what was the real cause of his silence when he gets up to make his final reply.

* THE HONOURABLE SIR GUTHRIE RUSSELL: Sir, I do not think I have very much to add to what I have already said. The Honourable Member stressed that I took the year 1924-25 and 1925-26. This had no significance except that those were the first years for which we had statistics. I did not even inquire to find out whether they were the most favourable years from my point of view. I took those two years and I never looked at the other years. I do not wish my Honourable friend to go away with the idea that I was accusing him of taking 1928 as the most favourable year from his point of view. He has explained very fully that he did not. I never thought otherwise.

The question was raised if this 8 per cent. for Anglo-Indians was for ever. Well, as far as I am aware, it is only a Resolution of the Government of India, and it can be changed by future Governments. That is so far as I understand the position. Then he talked about the percentages again. I am quite prepared to ask the B. N. R. and M & S. M. R. why their percentages are so high. In fact I had intended to do so privately. But I do not think he was quite right in his understanding of what I meant that the percentage must vary from year to year. If each railway has exactly the same percentage of recruitment the percentage should be 8·8; but when one railway recruits a very much larger number than another railway and it has a higher percentage of Anglo-Indians than the other which recruits less, the total will not be 8·8. Exactly the same thing happens in Muslim recruitment. The first year we discovered the Muslim recruitment had dropped to about 22 per cent. although every railway in India had recruited their correct proportion; another year it may be higher than 25 per cent.

I am sorry he does not think my reply to certain of the other points are satisfactory. He says, not even having seen the letters, that he cannot agree with what the Agents say. As I said, the letters are open to him to read and after he has read these letters he can form his own opinion. He can read those letters any day.

Perhaps in my original reply I should have said something more. I think I might have appealed to my Honourable friend to admit that we had done a certain amount towards the object which he desires. Now he is in a hurry. So are we all. But I feel sure in years to come Indians of pure descent will gradually occupy more posts on higher grades of pay. The present policy obviously leads to that end. Where he and I differ is that I cannot agree that in order to attain this object we should prejudice the rights of the Anglo-Indians and domiciled Europeans.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What about the reported desire of Government to increase the salaries of Anglo-Indians where the initial salaries are low?

THE HONOURABLE SIR GUTHRIE RUSSELL: Whatever the policy in regard to Anglo-Indians may be it is not the policy of the Railway Board ; by this I mean it is not laid down by the Railway Board and any announcement of such a policy would have to be made not by the Chief Commissioner for Railways but by the appropriate Department of the Government of India.

THE HONOURABLE MR. HOSSAIN IMAM: Is it under contemplation ?

THE HONOURABLE SIR GUTHRIE RUSSELL: I know nothing about it.

THE HONOURABLE THE PRESIDENT: The Question is :

“ That this Council recommends to the Governor General in Council to take steps to bring about a substantial increase in the recruitment of Indians of pure descent to the senior subordinate services controlled by Class I Railways and the Railway Board and to provide the same amenities for Indian employees as are provided for Anglo-Indian employees.”

The Council divided :

AYES—15.

Dalal, Hon. Mr. M. N.
Das, Hon. Mr. N. K.
Hossain Imam, Hon. Mr.
Kalikar, Hon. Mr. V. V.
Kunzru, Hon. Pandit Hirday Nath.
Mahtha, Hon. Rai Bahadur Sri Narain.
Mitha, Hon. Sir Suleman Cassum Haji.
Muhammad Hussain, Hon. Khan Bahadur
Mian Ali Baksh.

Niamatallah, Hon. Chaudhri.
Pantulu, Hon. Mr. Ramadas.
Ram Saran Das, Hon. Rai Bahadur Lala.
Ray Chaudhury, Hon. Mr. Kumarsankar.
Roy Chowdhury, Hon. Mr. Susil Kumar.
Sapru, Hon. Mr. P. N.
Sinha, Hon. Kumar Nripendra Narayan.

NOES—26.

Charanjit Singh, Hon. Raja.
Das, Hon. Rai Bahadur Satyendra Kumar.
Devadoss, Hon. Sir David.
Dow, Hon. Mr. H.
Ghosal, Hon. Sir Josna.
Gorwala, Hon. Mr. A. D.
Govindachari, Hon. Rao Bahadur K.
Haider, Hon. Khan Bahadur Shams-ud-Din.
Hissamuddin Bahadur, Hon. Lt.-Col. Sir.
Hydari, Hon. Mr. M. S. A.
Ismaiel Alikhan, Hon. Kunwar Hajee.
Jagdish Prasad, Hon. Kunwar Sir.
Khurshid Ali Khan, Hon. Nawabzada.

Lal, Hon. Mr. Shavax A.
Menon, Hon. Sir Ramunni.
Muhammad Yakub, Hon. Sir.
Mukherjee, Hon. Sir Satya Charan.
Nanak Chand, Hon. Rai Bahadur Lala.
Nihal Singh, Hon. Sirdar.
Parker, Hon. Mr. R. H.
Patro, Hon. Sir A. P.
Puckle, Hon. Mr. F. H.
Raisman, Hon. Mr. A. J.
Russell, Hon. Sir Guthrie.
Sobha Singh, Hon. Sardar Bahadur.
Stokes, Hon. Mr. H. G.

The Motion was negatived.

The Council then adjourned for Lunch till a Quarter Past Two of the Clock.

The Council re-assembled after Lunch at a Quarter Past Two of the Clock, the Honourable the President in the Chair.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE THE PRESIDENT: With reference to the announcement made by me on the 22nd March, 1939, regarding nominations to the

[Mr. President.]

Central Advisory Council for Railways, I have to announce that the following Honourable Members have been nominated for election to that Committee :

1. The Honourable Mr. B. N. Biyani.
2. The Honourable Mr. M. N. Dalal.
3. The Honourable Sir David Devadoss.
4. The Honourable Rai Bahadur K. Govindachari.
5. The Honourable Mr. Hossain Imam.
6. The Honourable Rai Bahadur Lala Ram^{*} Saran Das.
7. The Honourable Mr. V. V. Kalikar.
8. The Honourable Sardar Buta Singh.
9. The Honourable Sardar Bahadur Sobha Singh.
10. The Honourable Lt.-Col. Sir Hissamuddin Bahadur.
11. The Honourable Haji Syed Muhammad Husain.

There are 11 candidates for six seats and an election will be necessary. The date of election will be announced later.

RESOLUTION *RE* EXPANSION AND PROTECTION OF THE INDIAN MERCANTILE MARINE.

* THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadan) : Sir, I beg to move the following Resolution :

“ That this Council recommends to the Governor General in Council to take more active steps for the expansion and protection of the Indian Mercantile Marine.”

Sir, the question of the encouragement and protection of the Indian Mercantile Marine has been several times before the Legislature and this House in particular. I shall therefore not tire the House by going into the history of this question. The Government of India have on various occasions expressed their sympathy with the Indian demand for an adequate participation of Indian shipping in the coastal and overseas trade of India. On March 7th, 1935, a Resolution moved by the Honourable Rai Bahadur Lala Jagdish Prasad was accepted by this Council and Government. The Resolution was in this form :

“ This Council recommends to the Governor General in Council to take suitable steps to build up an Indian Mercantile Marine at an early date with a view to an adequate participation of Indian shipping in the coastal and overseas trade of India ”.

In accepting the Resolution the then Government spokesman in this House, Sir Thomas Stewart, emphasised that acceptance of it must not be taken to imply recognition or approval of any of the particular steps that were mentioned in the debate or an acceptance of the time programme that appeared to be behind those suggestions. He indicated the attitude of Government in regard to the various suggestions made for the development of the Indian Mercantile Marine. First, he dealt with the suggestion that the coastal trade of India should be reserved for Indian shipping. Sir Thomas Stewart took the line that as a policy it was unwise and as an administrative scheme it was not workable. He pointed out that existence of ports like Marmagao and

* Not corrected by the Honourable Member.

ports in Indian States and the separation of Burma well nigh made coastal reservation administratively impossible. Then he went on to consider the suggestion that there should be subsidies paid to the Indian shipping industry. He said that the method of subsidy was a method that had never been ruled out, but he pointed out that they could not pay any subsidies and that in fact it was not necessary that any subsidies should be paid. He further added that if a subsidy was to be paid, the figures would have to be rather astronomical in size. He also in the course of his speech referred to the suggestion that was made on the floor of this House that people should be sent to the United Kingdom and that colleges should be established to train Indians as naval architects and he pointed out that he did not understand how on return they would be useful as ship-building in India was confined to a few small vessels of the nature of tugs, for which the services of highly trained naval architects were hardly necessary. Then he went on to say that the Government of India's conception of a Mercantile Marine was of an organisation which would carry Indian goods in ships owned by Indians, manned by Indians and officered by Indians. He also pointed out in the course of his speech what had been done by the Training Ship "Dufferin" and the extent to which the "Dufferin" experiment had been a success. After criticising the various policies that had been advocated on the floor of this House, he said that the best hope for the sound economic and strong establishment of an Indian Mercantile Marine lay in the development of co-operation and a spirit of mutual accommodation among the various interests operating on the coast. I have gone into this history and I have gone into the speech of Sir Thomas Stewart at some length because my principal object in moving this Resolution is to ask Mr. Dow to tell us what progress the industry has made since 1935 by this particular method which Government has been following. Sir, 1935 is a rather important year for the shipping industry. Sir Joseph Bhore gave an Award in 1935 which brought about an agreement among the various shipping concerns and ended the rate war between Scindia and the B. I. S. N. Now, this Agreement of 1935 is due to expire at the end of this year and I suggest, Sir, that this is a good time for stock-taking. We have got to consider whether this policy of mutual co-operation and mutual adjustment has succeeded or not. On the Konkan Coast there is a rate war going on between the Bombay Steamship Co. and Scindia involving a loss of Rs. 10 lakhs a year in the capital invested by Indians. This rate war has been going on for the last two and a half years. Sir, I shall be glad to be corrected, but according to the information that I have, the present position is that the share of Indian-owned and Indian-managed tonnage in the coastal trade of India is only about 23 per cent. of the total tonnage employed in the Indian coastal trade. Indian shipping carries only about 18 to 19 per cent. of the coastal trade of India. It may be a little more but the figures vary between 20 and 22 per cent. or so. Increase in the share of Indian shipping in the coastal trade of India during the last 10 years has been hardly 10 per cent. Indian tonnage has increased only by about one per cent. since 1933 and we do not know whether during this period there has been any replacement of British tonnage by Indian tonnage. It was emphasised by Lord Irwin that an Indian Mercantile Marine means the gradual replacement of British tonnage by Indian tonnage. Well, we do not know, Sir, whether there has been any appreciable replacement during this period of British tonnage by Indian tonnage.

Sir, so far as India's share in the overseas trade is concerned, the position is that the share of British shipping at present is 64.2 per cent. The share of foreign shipping is 34.5 per cent. and the Indian share, Sir, is, shall I say,

[Mr. P. N. Saprú.]

the magnificent figure of 1·225 per cent. in the country's vast foreign trade. Sir, India has a coastal and overseas trade of nearly 400 millions per year. About 30 million tons of cargo and three million passengers are carried every year in this trade. In this trade Indian shipping carries hardly 5 per cent., coastal and overseas included. Indian shipping in the coastal trade of India, which by every right should belong to Indians, carries only 25 per cent. of cargo and 8 per cent. of passenger traffic. Sir, by an agreement of the Conference line, so far as the Scindia Co. is concerned, it is prevented from extending its passenger lines anywhere else, though naturally it would like to increase its business. Now, let us just see what India's contribution to world trade is. The United Kingdom's contribution to world trade is five and a half times that of India. The United Kingdom has a merchant shipping over 79 times as large as that of India. Norway has a trade less than one-third that of India. It has a mercantile marine which is eighteen times as big as that of India. Italy has a slightly higher rate than India. She has a mercantile marine which is thirteen times as big as that of India. Greece has a trade which is one-sixth that of India. It has a merchant shipping which is seven times as big as that of India. Russia has only half of India's trade and she has a shipping five times as large as that of India. Denmark has only half of India's trade; her merchant shipping is five times as big as that of India. Well, Sir, these figures speak for themselves. The fact of the matter is that reservation of coastal traffic has been found essential for the development of national shipping and the right of a nation to control its coastal trade is acknowledged in the Convention of the International Regime of Maritime Ports of 1923. Twenty-seven out of 33 maritime countries have reserved their coastal trade to their own national vessels. The conference on the operation of Dominion legislation and merchant shipping legislation of 1929 and 1930 accepted this principle in the case of the British Dominions. India was a party to this Conference but her name was deliberately excluded from the scope of the Report. Under the Statute of Westminster, the Dominions enjoy full maritime autonomy. They regulate their own coastal trade and particularly their own shipping. British shipping, which is probably the most powerful in the world, has been receiving assistance from the British Government. Sir, a few days ago, we had published a proposal of the British Chamber of Shipping for the grant of a subsidy of half a million sterling in five years to coasting tramps as well as a subsidy to coastal liners. Sir, I have referred to this question of coastal traffic but I recognise that coastal traffic has unfortunately been ruled out by the new Government of India Act. I am also, Sir, bound to recognise that the clauses—the ugly clauses in regard to shipping and commercial discrimination in the Government of India Act have virtually ruled out a method of subsidy. We cannot subsidise an Indian concern without subsidising a British concern. That is the meaning of this commercial discrimination clause. To the policy of fixing maximum and minimum rates of fare the Government of India is opposed. To the policy of licensing of tonnage the Government of India is opposed. Then what is the future, I ask, that they visualise for Indian shipping? The method that they have so far stood for, the method that they have so far advocated is that of mutual adjustment. Now, the question that one is bound to ask is: has this method of mutual adjustment between the haves and the have-nots, between foreign British interests and Indian interests succeeded? Are commercial interests to be at the mercy for ever of foreign British interests in this country? There is one method which might have been tried, but the new British treaty shows that it has not been tried.

I have not been able to look very carefully yet into the Indo-British Trade Agreement. But I find that there is no reservation in the Indo-British Trade Agreement about Indian shipping. In trade agreements and commercial treaties between two countries the matter of ensuring a place for national shipping is now recognised. Witness, for example, Sir, the Anglo-Soviet Trade Agreement which provides that timber imported by the United Kingdom from Russia should be sent by British ships. Here, British vested interests are so powerful and strong that when the Indo-British Trade Negotiations were actually in progress, British shipping concerns put forward the preposterous proposal that advantage should be taken of those negotiations to increase the share of British shipping in the Indo-Japanese maritime trade on the basis of India's bargaining power. Even the Government of India, a subordinate branch of His Majesty's Government, even this Government of India which is so watchful of British interests, had to turn down that proposal. They looked upon it as a preposterous demand. As the position will have to be reviewed at the end of this year, the question which is relevant, is this. What is the progress that we have made during this period of 1935—1939? How far has this method of mutual adjustment and co-operation succeeded? To what extent—I hope the Honourable Mr. Dow will be able to enlighten us on these questions—to what extent has Indian tonnage replaced British tonnage? What has been the rate of increase so far as Indian tonnage is concerned? What help has Government given in various directions to Indian shipping during this period of 1935—1939? What is the total number of young men turned out of the "Dufferin"? How many of them have been able to get employment? How many of them have been absorbed by British shipping concerns and how many of them have been absorbed by Indian shipping concerns? To what extent are Indians participating now in the mercantile marine in overseas trade? What is the Government going to do with the Act of 1850 which prevents discrimination not only against British concerns but against foreign concerns also? Sir, what is the subvention which has been given during this period to the P. & O.? Has the Honourable Mr. Dow considered the possibility of granting any subvention to Indian concerns by giving them mail contracts? I understand that a contract for the carriage of mails has been given to the B. I. S. N. Co. for 10 years at the rate of Rs. 9 lakhs a year. The Bombay Steam Navigation Co. is plying between Bombay and Karachi. I understand that they have passenger traffic also. The contract has been given to an English company and it has been given, not for a period of one or two or three years, but for 10 years. What was the method adopted in giving this contract? Were any tenders invited? Was any effort made to see whether the B. I. S. N. Co., which has been in existence for 70 years, could be given this contract for the carriage of mails? Sir, the other day I was just looking through the Report of the Imperial Shipping Committee. Their 38th Report deals with shipping in the Orient in great detail. It incidentally touches the question of the coastal trade of India also and I find that they have given a certificate to Scindia on their able management. They say that Japanese competition is dislocated by both and there should be an arrangement by which Indians get a reasonable share. Now, Sir, what action do Government propose to take on the Report of this Imperial Shipping Company? If the shipping companies of the United Kingdom do not adopt a reasonable attitude, what will be the attitude of Government?

Sir, there is just one other aspect of the question on which perhaps you will allow me to say a few words. In these days of international complications, the question of an Indian Mercantile Marine has assumed a great deal

[Mr. P. N. Sapru.]

of importance. We have no navy worth mentioning. The other day we passed a Naval Bill here and we certainly want to create naval reserves. A mercantile marine has been found to be useful as a second line of defence and a mercantile marine in emergencies aids and supplements the navy everywhere. Therefore, the question of an Indian Mercantile Marine is of great importance having regard to the international situation.

Sir, it has been said that the Indian coastal industry is not really in the nature of an infant industry, and that it has grown into a giant. I do not know what the definition of a "giant" in the English language is. I should have thought that the British Mercantile Marine was a giant, but that giant is receiving assistance from her national Government. I should have thought that the American Mercantile Marine was a giant, but the American shipping concerns receive support from their State in various ways. I do not know what the definition of a "giant" is. But the argument has been put forward that 85 per cent. of the coastal traffic on the West Coast is today in the hands of Indian ships. The West Coast trade is local in character. The West Coast itself is hardly 250 miles in length. It is also seasonal in character. I think the ships ply from Bombay to Konkan. If a shipper wants to send goods from Bombay to Madras, he cannot use these vessels. If a shipper wants to send goods from Bombay to Madras he does not use these facilities. He will go to the more established concerns because of the transshipment difficulties. So it is no use saying that 85 per cent. of the western coastal trade is in the hands of the Indian shipping concerns. We have to take the whole of the Indian coast into consideration. We have a coastal line of nearly 4,000 miles and we have got therefore to ask ourselves this question, what is the proportion that Indians have having regard to the total coast line of India?

Sir, various methods suggested by us have been ruled out by the Government of India. The Government of India is opposed to coastal reservation; it is opposed to giving subsidies to Indian ships; it is opposed to State intervention by the method of fixing maximum and minimum rates. It says that this talk of maximum and minimum rates is exaggerated. Well, it is not exactly so in the pilgrim traffic. For the last two and a half years there is a rate war going on between the Scindia and the Moghul line. The Moghul line is stronger; it has larger reserves and it has the backing of English capital. Both are losing, it is true, but the Moghul line has larger reserves. Then the Asiatic Steam Navigation Co. has threatened another rate war regarding the Burma trade when the agreement between them and the Scindia concern expires. That is the position. Having regard to all these relevant facts we are entitled to ask whether Government has evolved any constructive policy which will help this key industry of India. Government have had ample time to reflect and ponder over this question. The Indian Mercantile Marine Committee reported in 1924. It said that if you compare the rate of progress with the rate of progress in Japan before the period ending in 1895, its rate of progress has been very large. We do not know what the progress was before 1895 in Japan, but we do know the rate of progress in Japan after 1895 was very rapid because Japan had the good fortune of having a national Government. It has been our misfortune that foreign vested interests have controlled our commercial policy. Questions have not been looked at from the Indian point of view. India was at one time a great maritime power. I do not want to go into ancient history. It may be that the real factor which destroyed Indian shipping was the steamship. On the other hand our point of view in this matter is bound to be put forward. We used to have a ship-building industry at one time in this country. Now we do

not manufacture ships. I should like to know what assistance Government is prepared to give to any concern which would start ship-building in this country. Those are relevant questions and we should like to know what the constructive policy of Government in regard to coastal trade and the Indian Mercantile Marine is ?

THE HONOURABLE SIR DAVID DEVADOSS (Nominated Non-Official) :
 Sir, I have great pleasure in supporting this Resolution, the main reason being that if we have our own mercantile marine it will relieve unemployment and at the same time promote the economic condition of the country. The question of educated unemployment is a very serious one. It will be a menace not only to the Congress Government but also to any Government that may be asked to function in this country. Therefore, we must do our best to give employment to our young men who have passed through the Colleges.

Sir, I do not want to go into the ways and means of promoting the object of this Resolution. That I leave to the Government. But I must say this that for a long time attempts were made to have our own coastal shipping. If I am not taking up the time of the House I will mention one or two instances. So far back as the late Eighties one Dr. Dhanakoti Raju, a very well known man in Madras, chartered two ships and made them run between Tuticorin and Colombo. That gave a daily service between the two ports, whereas the B. I. S. N., which had the monopoly at the time, ran only a weekly service with the result that the coolie traffic which was very large in those days was very much inconvenienced; the boats were overcrowded and all sorts of inconveniences were felt. Now, when this new service was started the B. I. S. N. wanted to kill it and in six months' time it succeeded. Firstly, it reduced the fares and took the coolies almost without any charge at all, and then it is said—though I do not know how far it is true—they frittered away the two ships which were only chartered by that gentleman. Then, Sir, in 1907-08, if my recollection is correct, another company was started called the Swadeshi Navigation Co. That was also in the Tinnevely district but had the backing of a good many Indians all over the Presidency of Madras and that ran a daily service between Colombo and Tuticorin. Then, again, the B. I. S. N., which everybody knows is a very large concern, wanted to kill it and there was not only a rate war but I am told that they carried the passengers not only without fares but also gave them some help in the shape of free dinners and cloths and so on. The result was that in the course of a year or two the concern though backed by all the influential Indian merchants of the place had to close down. It may be said that the Secretary of the Company, a well-known man named Chidambaram Pillay, interfered unnecessarily in politics and he was convicted under the sedition section of the Penal Code. Anyhow by 1909 or 1910 the Company had to be wound up and a good many people lost heavily. I mention this to show that vested interests are in a position to kill small concerns. That is not peculiar to India. I think my friend Mr. Parker will bear me out that in America the big concerns have been able to kill small concerns. But we naturally appeal to the Government to see that such a thing does not happen here. It happened as I said more than 30 years ago, but things have changed now. Now, it is not only the British companies that are carrying the trade of India. Japan is very seriously cutting into the trade of the British companies. That is a circumstance which has to be seriously considered. I believe that was the subject of consideration quite recently in England. Therefore, that being the case, is it not right that the Government should help the Indian concerns ? I

[Sir David Devadoss.]

do not for one moment mean to say that the British companies should be kept out. That is not a thing which is possible and that is not a thing which is feasible also, because we have not got very many ships. Supposing all the British India and the P. & O. ships are taken away shall we be able to carry on the trade of India? No. What I therefore suggest is that Government should take every step possible to encourage Indian shipping, so that in course of time it may be of real help in times of danger. Then, Sir, we must also remember—though my friends on the other side may not agree—that the fault lies partly with us. Most of our people, well-to-do people, merchants and others, would like to have trade and get easy returns, but in the case of shipping, you not only want a huge capital but also persons who would man the ships; we have not got the men. We must see that the men are forthcoming. Even if the “Dufferin” turns out a hundred men a year—which she is not at all doing now—you cannot man many ships in the course of even ten years. What I suggest is that the educated people of this country ought to take more to this line of life. We do not all want to do that. I know the feeling is we all want professional courses and Government jobs and so on. Really the intelligentsia of the country is not for taking to a nautical life. That must be accepted. The people that go to the ships are lascars and men of no education, or very poor education, and therefore we suffer. I suggest therefore that not merely the Government but also the well-to-do people ought to take a real interest in this matter and see that we have our own shipping.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to support the Resolution. It is now well known to us that during the last 200 years of British reign in India no impetus has been given to the Indian marine. I know that when competition, rather out-throat competition, started between Scindia and the B. I. S. N., the Government in the beginning were indifferent. Then there was a lot of agitation in the Central Legislature and outside it and the Government, after I should say putting the Scindia Co. to a loss of over a crore of rupees intervened and effected a compromise. Whether that compromise was an equitable one or not I am not discussing here. However, a compromise was effected and I should give credit to Mr. Walchand Hirachand and his co-directors for continuously going on bearing the loss and fighting till the end so as to keep the Indian marine alive. Sir, I hope the Honourable Mr. Dow will take up my challenge that so far the Indian Government has given no patronage, I should say no material patronage, to the Indian Mercantile Marine. Sir, the railway companies consume a lot of Bengal coal and even for the N. W. R., which is the longest distant from the coalfields, coal is shipped from Calcutta to Karachi and from Karachi the railway serve the Karachi and Quetta divisions. I have never heard that any of these Indian mercantile ships got a share. There was a lot of agitation when the Burma Railways confined their patronage only to the B. I. S. N. for the carriage of their coal for the railway, but it is only in the last one or two years, if I mistake not, carriage of a small portion has been given to an Indian company. Sir, every shipping company that has tried to uplift itself has been faced with troubles. I need not go into the individual cases, but about half a dozen companies on the Malabar and Konkan Coast and the Gujerat Coast had failed because of cut-throat competition and financial incapacity to go on bearing losses. Sir, it is on account of the vested interests of the B. I. S. N. that Government remain indifferent. My Honourable friend Sir David Devadoss said that we should blame ourselves for it.

THE HONOURABLE SIR DAVID DEVADOSS : I said partly.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Partly, very well. I cannot support him in this respect. He has himself cited an example of how Indians came forward to form a shipping company in the South and how that company came to grief. I can give him many instances. Sometimes companies for one reason or another do fail, but that ought not to deter us from floating similar companies with comparatively better management and better finance. I know that even from the Defence Department which have to carry so many troops between England and India every year no patronage has ever been given to any Indian shipping company, although they can do this well enough. It is no credit for the Government that during such a long term of administering India they have not been able to form a good Indian Mercantile Marine.

The Honourable Sir David Devadoss also referred to the paucity of commanders. I may tell him that on many of the Indian shipping lines most of the steamers are commanded by Indians, particularly on the Bombay Steam Navigation Co., the old Haji Qasim line, and others. That may not be the case with Scindia, but I think Scindia will soon realise that when they criticise others for various reasons they will also be attacked on this point by those whom they attack. As regards the products of the "Dufferin", a number of Punjabis joined the "Dufferin" and passed out successfully. Captain Digby Best with whom I had a talk said that Punjabis do just as well as any other Indian from other parts of India and I am glad to find that some Punjabis have got into the Pilot Service and are now serving in Bengal. I also know that all the successful "Dufferin" candidates cannot find employment. I have been taking an interest in this matter and I know that it was after great persuasion by the Government that the B. I. S. N. and the P. & O. Co. began to take these cadets. Even now, if my information is correct, the P. & O. on an average takes one cadet a year and perhaps two are taken by the B. I. S. N. Most of the cadets from the "Dufferin" are found employment by Scindia or other small companies and by the Government in their pilot service. Unless there are prospects of all of them finding employment it is impossible to advance the argument that cadets cannot be found. When there will be a good demand there will be a good supply and I can certainly say that the Bombay, the Punjab and Bengal together will find you a bigger number of seamen and cadets than will be required in the near future.

3-5 P.M.

Sir David Devadoss also observed that as the big fish swallows up the little fish, so the bigger companies swallow up the smaller companies. Sir, it is the duty of the Government to see that no cut-throat competition goes on and that no injustice is done. The law is meant to keep peace and order and right is to be might and not might as right. My friend Sir David Devadoss has also changed his view and considers might to be right. Justice demands that right should be might and those who want to ruin the small companies ought to be prevented from doing so. I suppose my friend the Honourable Mr. Sapru means that this cut-throat competition in freights which is going on between the Scindia and the Bombay Steam Navigation Co. ought to come to a stop. Government should intervene. I am not holding a brief for one company or the other but as that is a fact that several lakhs of rupees are being lost by Indian investors and without assigning the blame to anybody, I must say that this is the time when Government ought to intervene and let justice be done and the rate war stopped. This cut-throat competition and these lower rates of freight have put back the Indian shipping industry

[Rai Bahadur Lala Ram Saran Das.]

considerably and if Government is really serious in its desire to advance the cause of the Indian Mercantile Marine, they must immediately start helping it in all directions. This is a great need and I do not know why such indifference on the part of Government should continue. We know that in the past India was famous for her merchant ships. Even now our cargo boats commanded by Indians are trading with Africa and the Dutch East Indies and Malaya and other distant countries. We have got very capable seamen available in India and it is only the indifference of the Government which is keeping back the real development of the Indian Mercantile Marine. In the interests of India as well as in the interests of Government it is essential that the Indian Mercantile Marine ought to be patronised and developed and in time of war it will be useful to them as well as to us in the defence of India. I think, Sir, the time has now come when patronage to the Indian shipping companies should begin and let us have a good beginning in order to do justice to that industry.

*THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan): Mr. President, the Resolution which the Honourable Mr. Sapru has moved is so modest that it does not require any special pleading in support. The fact that at the present moment the Indian Mercantile Marine is in a state of infancy and is faring badly is all the more reason why special steps should be taken to bring it to its full estate. The fact cannot be denied that the Indian Mercantile Marine is just now entering a field of competition with other well established interests and as such it cannot stand on its own legs without the help and co-operation of the Government of the country.

The figures which the Honourable Mover gave of the tonnage of different nations having a smaller trade than India would convince anyone that the present tonnage is very inadequate. Now, we are faced with the fact that the Government of India Act has debarred the Government of India from either reserving coastal traffic or from giving bounties to the Indian Mercantile Marine. That, Sir, is even a greater inducement to the Government of India that they must take steps, if not through the direct method of subsidy and reservation, at least by understanding them and making the position of the Indian Mercantile Marine better. As you all know, Sir, I am particularly interested in the carriage of pilgrims to the Hejaz. Now, what happens? Before the Scindia Steam Navigation Co. came into the field, the charges of the Moghul line were Rs. 180. With their advent there commenced a rate war and ridiculously low figures were quoted this season. But a fact which is very pertinent to the discussion is that, as soon as Scindia's ships sailed, you found that the rates began to rise and it was only in the days that the Scindia ships were in port that the Moghul line kept down its rates. Now, the reason for this was that the bigger line, the long-established British companies, do not like this intrusion of the Indian company in its preserve and therefore it is they who have started this rate war—cutting down the fare in order to oust the newcomer. If the Government of India thought that they were justified in interfering and making an arrangement between the British shipping interests and Scindia about the coastal traffic, is it not possible for them to intervene now and in a way make some arrangement whereby either the percentage of the pilgrims would be carried on both the companies' lines or some other arrangement might be made? For instance, pilgrimage might go to Scindia

* Not corrected by the Honourable Member.

and others might be reserved for the B. I. S. N. Something of that kind might be possible.

THE HONOURABLE BAHADUR LALA RAM SARAN DAS : Perhaps you don't know that under the arrangement arrived at between the B. I. S. N. and Scindia, Scindia cannot carry passengers on the India coast line.

THE HONOURABLE MR. HOSSAIN IMAM : I am saying that is expiring at the end of this year. I suppose the arrangement will expire this year under the Award of Sir Joseph Bore. In the new agreement some arrangement should be made whereby there is equity and justice to both the companies. British interests must now be prepared to give a share to Indian interests and in pleading for this, I do not wish to say anything either in praise of Indian capitalists or in disparagement of British capitalists. But I say this much that in order to find employment for Indians, we are anxious to have Indian capital invested in other spheres than at present. We must have new lines so that Indians may find employment in them and find a scope for their talents in other fields.

There is one thing which has not been correctly analysed so far, and that is, the effect of the carriage of our goods in foreign bottoms. If you compare the rate of freight from England to India and from India to England for a long enough period, you will find that in a dozen years the freight rate has generally gone down for exports from England to India, while the freight rate for exports from India to England have gone up. That shows the disadvantages of carrying your merchandise in non-national bottoms. The fact that only 1½ per cent. of our foreign trade is carried in Indian bottoms is a very bad commentary on the Departments of the Government of India concerned with the mercantile marine. We do not take any responsibility for the fact that you have incorporated in the Government of India Act a provision which deprives you from giving any active help to the Indian Mercantile Marine. But there are methods which are open to you, one of which was illustrated by the Honourable Mr. Sapru, namely, giving contracts for carriage of mail. Have you given any contract to the Indian companies ? Here is the Scindia Co. carrying pilgrims. Could you not give a contract for the carriage of mails to Hejaz to these people ? The Indo-Burma trade is not open to Scindia at the present moment, but in the interests of future development, you may open it and give the contract for the carriage of mails, say, from Madras to Rangoon. These are methods of subsidising indirectly which are still open to you, and if you do not take those measures, it will be due not to the fact that you are unable to do it but because you are unwilling to do it. You cannot take shelter behind the Government of India Act for all your acts of omission. I know that a good deal of blame can be thrown on the devoted head of that Act. But it is not so bad as you try to paint it. There are, I think, people who call it bad and it is not fair to the British Government that the Government of India too should join in the chorus and throw all the blame on the Government of India Act.

Sir, I support the Resolution.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Sir, I rise to support the Resolution so ably moved by my Honourable friend Mr. Sapru. Two years ago, when I moved a Resolution for accelerating the pace of Indianisation in the Royal Indian Navy, I was told by His Excellency the Commander-in-Chief that as an efficient Indian Mercantile Marine did not exist, they could not give effect to, or accept, my Resolution. Now, the Honourable Mr. Sapru has given them an opportunity and if the statements then made were real, and if the Government were frank and honest, they

[Mr. V. V. Kalikar.]

should take this opportunity of accepting this Resolution. The Indian shipping industry is in an infant condition. Whatever help the Government of India could give to that industry has now been made impossible by the Government of India Act of 1935. We cannot bring pressure on the Government of India to give subsidies to this industry. We cannot ask them to reserve the coastal traffic of India to our ships. So, the only remedy left is to make the pious request to the Government of India to help the industry. If you compare the British and the Indian industry, the Indian shipping industry is a pigmy and the British shipping industry is a giant. Unless you give whatever reasonable patronage it is possible to give to the Indian shipping industry, you cannot alter it to the position of a giant. My argument is that there should be competition between equals. The position is that the Indian shipping industry cannot compete with the British shipping industry under any circumstances. Therefore, they need whatever support the Government of India can give. But we are helpless in the matter. Sir, whatever is left to us is to request the Government of India to help them according to the circumstances, if possible, not coming under the Government of India Act, and to see that the industry grows and comes to a position when really it will be able to compete with the British shipping industry. Sir, we have got our "Dufferin" cadets. These cadets—we have heard so many times found great difficulty in obtaining employment in the British shipping companies. After a lot of pressure on the floor of this House we could get some appointments for them in the British shipping companies. We know that a lot of money is being spent from the Indian exchequer for carrying mails, but we cannot, and I think under the Government of India Act we cannot, force the Government to reduce the contract and give some share over to the Indian shipping companies. The position in which we have been placed under the Government of India Act is very anomalous to my mind. If really the Government of India are of a mind to support the Indian industry in this matter they can find out ways and means of giving some patronage by way of contracts to Indian companies for the carriage of mails and also by bringing pressure to bear upon British companies to stop this cut-throat competition in rates and to help the Indian companies to grow to a normal stature. I therefore, Sir, support the Resolution.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Mr. President, the question that is being discussed now has been before the Central Legislature in one form or another since 1928. Owing to the controversies that the subject evoked Lord Irwin convened a conference in order to bring about agreement between the British and Indian shipping interests. It was then hoped that the Government of India would be able to use their good offices to enable some arrangement to be come to which would lead to the development of an Indian Mercantile Marine. Unhappily, however, the conference was a fiasco. Its report has not been published, but I gather that the main questions raised at the conference were two. Would the British companies be prepared to sell their ships gradually to the Indian companies and would they agree not to replace the ships so sold by them by other ships? I am told that no agreement could be arrived at on either of these points. Well, I could understand British shipping companies objecting to their being driven out of the coastal trade without compensation, but if even the idea of compensation through the purchase of ships by Indian companies is not acceptable to the European interests, it is hard

to understand by what other method the object that we have in view can be secured with the good will of both Britishers and Indians.

Sir, the Government of India, recognising the importance of the subject, dealt with it in their Despatch on the recommendations of the Simon Commission. They first referred to the position which the European merchants and industrialists claim for themselves in India, and then went on to say :

" From India's side it may well be urged that she should be free to develop her own industry and commerce by any means which do not inflict injustice on any section of the community and do not involve the exclusion of British citizens from participation in India's future development. A further claim also might be put forward on her behalf. There are enterprises which Indians regard as national and which at present are mainly or wholly in British hands. It would be idle to expect that they would be content for an indefinite period to remain without their proper share in the conduct of these enterprises ".

And later on they said :

" The importance of reaching a permanent settlement of the question can hardly be exaggerated. More perhaps than any other single factor it would help to create harmonious relations between Great Britain and India ".

Now, we can legitimately ask what the Government of India, in view of the enunciation of these principles by themselves, have done, since they sent this Despatch in 1930, to develop an Indian Mercantile Marine ? My Honourable friend Mr. Sapru has referred to the examples given by Sir Thomas Stewart in the debate which took place here in 1935 of the assistance given by the Government of India. Frankly speaking, on a review of the last 10 years it seems to me that the Government of India tried to maintain an attitude of indifference as long as they could and that when they intervened they did so unwillingly. Take again the question of the employment of the " Dufferin " cadets. I know that the propaganda that was carried on some time ago regarding the inability of the " Dufferin " cadets to find employment was not based on accurate facts. I also know that the Government have during the last two or three years tried to persuade the British shipping companies to employ Indian boys trained on the " Dufferin ". But here too it seems to me that if their support had been as warm as we had a right to expect from them the result would have been more substantial than it is at the present time. When they give mail contracts I think that they can justifiably use their position to bring pressure to bear on the shipping companies concerned to give increased employment to Indians. I have no doubt that my Honourable friend Mr. Dow will deal with all these points but I must say that the impression of us all is that the Government of India, notwithstanding the change in their attitude say, during the last five years, are still not prepared to take up the Indian cause whole-heartedly.

I have pointed out, Sir, that in the past the inability of the Indians to go forward was due to the opposition of British interests and the consequent reluctance of the Government of India to intervene. There is, however, a favourable opening now which I trust the Government of India will not fail to take full advantage of. The Report of the Imperial Shipping Committee, which I have been able to get by the courtesy of Mr. Dow, is hope-inspiring on this point. The British shipping interests are perturbed by the competition of Japanese shipping ; they want therefore that they should receive help from all parts of the Empire. The Imperial Shipping Committee says in paragraph 338 of its Report :

" Is it beyond the reach of policy in some practicable way and notwithstanding the separating breadth of the world, to bring about a sense and practice of partnership between the owners of the shipping in the United Kingdom and the producers of the cotton and wool in India and Australia ? "

[Pandit Hirday Nath Kunzru.]

They recognise that the whole-hearted co-operation of India cannot be obtained so long as just Indian demands are not complied with. They observe on this point :

"Several Indian Chambers of Commerce have, however, written to us expressing the view that the support of Indian trading interests for British shipowners must be conditional upon action to encourage the development of the Indian-owned Mercantile Marine".

And then they go on to say :

"There can be no question that if there is to be the sense of partnership between the shipowner and the mercantile community which is a condition of any effective competition with the Japanese in the Orient, there must be created in a greater degree than exists today a genuine Indian interest in the mercantile marine of the Commonwealth. It must be admitted that there is an initial distrust to be overcome, the result partly of competition in the past between Indian-owned and United Kingdom-owned shipping enterprises, but we hope that in the face of the well-organised Japanese competition it will be recognised both by the Indian and the United Kingdom shipowners that a new and larger spirit of co-operation is called for".

Sir, the spirit of these quotations is somewhat different from that of the negotiations which took place in the past. It may be hoped that in view of the difficulties which the British shipping companies are faced with they will be prepared to come quickly to terms with the Indian shipping companies and allow full room, notwithstanding the existence of the Government of India Act, for the development of an Indian-owned Mercantile Marine.

There is one other point that I should like to deal with before I sit down. It is a point of considerable importance. We are all for the development of Indian shipping, but we shall have to take care that the competition between the Indian shipping companies is not an illegitimate one, that the stronger Indian shipping companies do not act towards the weaker companies in the way in which according to them British shipping interests are behaving towards them. The operation of ordinary economic laws cannot be entirely arrested by any legislation, but I think we ought to take all possible steps to prevent any company from gaining a monopoly. Again, it is necessary to keep in mind the interests of the consumers. It will be a poor satisfaction to us if an Indian company fleeces its consumers after ousting its British rivals. We want an Indian Mercantile Marine in Indian interests, that is, in the interests of all classes. We cannot therefore consult merely the viewpoint of the Indian shipping companies and ignore that of the Indian consumer in dealing with the question of the development of an Indian Mercantile Marine.

Sir, with these words I give my support to the Resolution moved by my Honourable friend Mr. Sapru. It is on the same lines as the Resolution moved by Rai Bahadur Lala Jagdish Prasad about four years ago and I trust that my Honourable friend Mr. Dow will be able to accept this Resolution today as Lala Jagdish Prasad's was accepted in 1935 by Sir Thomas Stewart.

THE HONOURABLE MR. H. DOW (Commerce Secretary) : Sir, I am not going to oppose this Resolution. I admit that the debate has gone on rather entirely different lines to what I had hoped. I had hoped that the Honourable Mr. Sapru would start by showing his appreciation of the active measures which Government had taken, and then very naturally proceed to ask for more of them, and it was in that sense I was inclined to read his Resolution. But I gather that the general tenor of this debate, as of somewhat similar debates before, is that Government has done nothing hitherto except to give words

of hope, fobbing off people with vain promises that they were going to do something, while really they have not done anything at all. Now, Sir, during the 20 years since the Scindia Co. started in a very small way, that Company has grown, as you are all aware, to a most powerful body. It is all very well to say that they only have 23 per cent., or a small percentage of this trade and that trade, but everybody knows, you all know, that they from very small beginnings have during this time become a very powerful Company and a very wealthy one. Now, Sir, you cannot have it both ways. If this has been done without any assistance of Government, it is fairly clear that they can do without Government assistance. If, on the other hand, they have done it with Government assistance, it hardly lies in your mouth to say that Government has done nothing whatever.

Mr. Sapru gave a very fair summary of Sir Thomas Stewart's speech on the occasion of the debate in 1935, and mentioned the conclusion to which Government said they had come—

"that the best hope for the sound, economic, strong establishment of an Indian Mercantile Marine lay in the development of co-operation and a spirit of mutual accommodation between the various interests operating on the coasts".

Mr. Sapru then proceeded to ask a large number of rhetorical questions. "What has been the result of all this?" Well, in the first instance, I would like to point out that, although that was the conclusion drawn, Sir Thomas Stewart had referred to other things which Government had done and were continuing to do. And since that time we have continued to do these things. There is the "Dufferin" Training Ship which was instituted more than ten years ago. On that ship and its maintenance Government have spent over a quarter of a crore of rupees, and the net annual cost of that ship is about Rs. 2 lakhs today. Well, it is fashionable to minimise the value of this, but I consider that the "Dufferin" Training Ship has done excellent and most valuable work, and is still doing it, in helping to build up the Indian Mercantile Marine. If you will consider for a moment some other business—suppose someone were to come along and say: "We want to start a particular kind of electrical industry in this country, but we want skilled men and we have not got them". If Government came forward and said: "Well, we will spend Rs. 2 lakhs a year on training people for you. And not only that, but realising that you won't be able to absorb all these trained people at once, we will persuade your rivals, the people whose trade you will take away when you develop yours, we will persuade them to take some of these men and continue their training for you". That is what Government are doing for the Indian Mercantile Marine. People sometimes are apt now to talk as if the object of that "Dufferin" Training Ship was to train men not for the Indian Mercantile Marine but for the British Mercantile Marine, and to make a grievance of it if the British Mercantile Marine do not take these people to train. The main object, of course, was far otherwise. Now, the reasoning goes in a rather circular way. We had to start the "Dufferin" because we could not start the Indian Mercantile Marine without officers. Now, we are told that we must expand the Indian Mercantile Marine very rapidly because otherwise we should not be able to use up the officers that we are training on the "Dufferin." Now, the British firms have in my opinion done a good deal to help the Indian Mercantile Marine during this period by taking officers at a time when doubtless many of them would rather have had British officers. They had obligations to their staff and so on. But they have taken men from the "Dufferin," and tided over a time when otherwise a large number of "Dufferin" cadets might have been out of work. That is why, as was conclusively shown in the course of debates last year, the "Dufferin" boys had no difficulty in getting

[Mr. H. Dow.]

employment. And the unjustifiable propaganda which was taking place at that time has, I am very pleased to say, almost entirely ceased, although some of its evil results remain in that it is not so easy to get the right kind of boy for the "Dufferin" as it was before this propaganda started. And during the last few years, as you are aware, the training given on the "Dufferin" has been extended to engineer officers.

We have also entirely Indianised the recruitment to the Bengal Pilot Service. That Service, as you know, is a very important service, and I think hardly anything better shows the confidence which Government have in the training given to boys on the "Dufferin" and in their potential capacity, than that they have consented entirely to Indianise recruitment to a service of that importance.

Now, to come to the question of Government's good offices and their efforts to promote a spirit of co-operation. The Honourable Mr. Sapru said, when his last Resolution was accepted by Government in 1935, "What increase", he said, "has there been in Indian shipping since that date?" Well, that was rather an unfair question because I think the Honourable Mr. Sapru realises that just about that time, by Government's good offices (as I may say) has recently been very gratefully acknowledged by the Scindia Co. themselves, the Conference agreement had been formed between the Scindia Co. and two British companies. And that agreement, as the Honourable Member himself said, is to come to an end at the end of this year. That agreement did provide for an increase in the amount of shipping of the Scindia Co. from 60,000 to 100,000 tons. And as part of the consideration for that the Scindia Co. agreed to refrain from going into the overseas trade. The Company got a very considerable accession to their coastal trade, and in return for that they gave up the right of entering into competition with the same companies in overseas trade. So that it is, I think, if I may say so, rather unfair to say to me: "What have they got since then?" They got this agreement and that agreement is still in operation. Of course, the agreement will soon come to an end and I have no doubt then that other claims will be put forward. It is primarily a matter for the companies to discuss between themselves, and I do not think it is beyond the bounds of hope that, if the companies concerned meet each other in that spirit of mutual co-operation which Government are anxious to foster, they may not want Government's good offices at all. But if they do want them, then Government will be prepared to use them.

During these five years there has been a good deal of opportunity for Government to come in and try to help, and perhaps the best way in which I can illustrate this is to make a rapid survey of the coastal shipping situation as it is. I will take first of all the West Coast Award which has been referred to, and I will deal with that in two parts. First of all, the goods trade round Malabar. As a result of Sir Joseph Bore's Award, 85 per cent. of this trade was given entirely to various small Indian companies, and the remaining 15 per cent. was to be shared between the Conference lines. At the time of the Award, the small companies represented that they were a little conference among themselves, and all that was necessary was for Government to say what their total share of the trade was to be, and they would settle the rest among themselves. No sooner was the Conference over than such agreement as there had been between these small companies was also over, and it has not been possible to get these companies to agree among themselves as to the distribution of their own trade between themselves. This is a dispute entirely between Indian

companies, between small Indian companies. The result has been, I understand, that they have really gone over their 85 per cent., each scrambling for the biggest share that they could get, and it is, as far as I can see, very largely by the forbearance of the Conference lines that there has not been more serious trouble about it, for the Conference lines are not getting even the share of the trade to which they are entitled.

Then, the second part of that trade is the passenger trade on the Konkan Coast. There is a rate war going on there at present in which the companies involved are the Bombay Steam Navigation Co., which is a very old established company, one or two smaller companies, and the Scindia Co. I do not want to say too much about the merits of this dispute, because it has gone on for some considerable time and the present position is that the Commerce Member has agreed to arbitrate on their differences if they will accept his arbitration. I have not seen yet whether they have replied agreeing to that arbitration. But, generally speaking, the Bombay Steam Navigation Co. has something like 95 per cent. of its capital Indian. It has a good many Indian directors—well-known public men. But it has a British firm of managing agents, and part of the trouble arises from the assertion of the other parties to the dispute that such a company is not an Indian company. In this rate war, you have one Indian company less powerful than the other, and a powerful company coming to its assistance, taking the smaller Indian company under its protection rather in the way perhaps that Herr Hitler has taken Czecho-Slovakia under his protection. That is the position at present.

Then I come to the Haj trade. Honourable Members are aware that there has recently been a dispute between the Scindia Co. and the Moghul line, and the Commerce Member did intervene in that dispute, and got the companies to agree to charge only a certain minimum fare. You are all aware that the arrangement broke down in practice. The history of that dispute shows conclusively that it is no use for Government merely to legislate by fixing a fare. The whole difficulty is in enforcing it. There are so many ways of getting out of that obligation, and making rebates of one kind and another, and it is shown by the history of this dispute to be quite impossible to seek a solution on these lines. You may say that is because the fare was only fixed by agreement. But the result would have been in no way different if instead of being fixed by agreement, the fares had been fixed by legislation. Then, as I have said, the Conference agreement between the three main companies in the coastal trade is due to come to an end this year. It may be renewed. But it would be premature for me to attempt to forecast what is likely to happen then. Still, I have very little doubt that the Indian companies will seek to make good their footing in the overseas trade.

I should like to say that I entirely agree with the Honourable Pandit Kunzru's reference to the hopefulness of the recent Report of the Imperial Shipping Committee. I consider that it is a very hopeful sign, and, if I may be permitted, I shall read again a passage which he has already read :

"It must be admitted that there is an initial distrust to be overcome, the result partly of competition in the past between Indian-owned and United Kingdom-owned shipping enterprises, but we hope that in the face of the well organised Japanese competition, it will be recognised both by the Indian and the United Kingdom shipowners that a new and larger spirit of co-operation is called for. On the one hand, the aspirations of India to enter the field of shipping operations are natural and should be fairly met in a co-operative spirit by the United Kingdom lines. There will always be scope under the conditions of oceanic trade, growing with the increasing enterprise of the Orient, both for the Indian and the United Kingdom mercantile marine in the trade of India."

[Mr. H. Dow.]

I think that if that new spirit is reflected by shipowners in this country there is every hope that a satisfactory solution may be found along this line.

In the course of this debate I have naturally listened most carefully for any practical suggestions as to the way in which Government should further encourage a mercantile marine. I think the only one was that we might at any rate now help by subsidies. That is a matter which has often been dealt with in this House and in another place, and I think Honourable Members know the answer perfectly well. The Post and Telegraph Department is a commercial department and it can only be run on business lines. I understand that on the last occasion when the contract for mails between India and Burma came up, open tenders were called for, that there was only one tender received and the contract was given to that firm, that is, to the B. I. S. N. So, there is really no help along that line. You cannot expect Government to pass on to the public a concealed subsidy.

The Post and Telegraph Department is, and must remain in this matter, able to run itself on ordinary business principles. That, I think, has really been the only suggestion which claimed to be a practical suggestion. Pandit Kunzru again, referring to the 1930 conference, suggested that the outcome of that was a deadlock over the question of transfer. I think his suggestion was that the B. I. S. N. Co. were willing to transfer a number of ships but they were not willing to refrain from building others to replace them. Well, the shipping trade does not only consist of ships. It is a going concern

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and it consists of goodwill as well as ships. If there were no goodwill involved, it would be a simple thing for anybody who wished to compete merely to build or buy other ships, and they would *ipso facto* start on equal terms. But there is a good deal of goodwill and trouble has occurred in the past over attempts that this should be, in some form or other, transferred without compensation. It is quite obvious that if there is to be a great change, as you all desire, in the proportions of the trade between British and Indian companies, there must be a large transfer of a valuable trade from one to the other, and the question of payment must arise. But that is a business proposition which I do not see should prove impossible as soon as people get it out of their heads that in some way or the other the transfer can take place both justly and without any form of compensation.

I have tried to show that rate wars do not only take place between Indian and British firms. They give just as much trouble between Indian firms and the problems are very similar.

As regards the reservation of the coastal trade, Honourable Members have now recognised that that is no longer possible under the Government of India Act and also that subsidies, which before the Government of India Act had not ever been entirely ruled out, are now no longer possible. It is my claim that Government have done consistently what they could to implement their policy of developing the Indian Mercantile Marine, that they have not at all changed in their desire to develop it, and that they are willing to take all reasonable means in their power to help forward the policy which they have consistently carried out during the last ten years.

*THE HONOURABLE MR. P. N. SAPRU : I am grateful to the Honourable Members who have supported my Resolution. I am grateful to Sir David Devadoss for the valuable support that he gave, Mr. Hossain Imam, my own leader, Mr. Kalikar and Mr. Kunzru for the support that they gave to this

* Not corrected by the Honourable Member.

Resolution. Now, Sir, I will come to the speech of the Honourable Mr. Dow. He has told us that he is not going to oppose my Resolution, which means that my Resolution will have a chance, that it will be accepted I take it by the Council. And as the Resolution is not going to be opposed it is unnecessary for me to answer him at any great length. The Honourable Mr. Dow complained that I had not appreciated what Government had done. Well, the line that I took was that Government ought to have done much more. It is not as if the line taken is that nothing has been done. I frankly recognise that there was an Award in 1935, but I also pointed out what I considered to be the inequity of certain features of that Award. And I do not blame Sir Joseph Bhore for the Award. He had to placate powerful British vested interests and therefore the Award that he gave was the only Award he could give under those conditions.

THE HONOURABLE MR. H. DOW : May I interrupt for a moment. I think the Honourable Member is rather mixing up two things. There is a tripartite agreement to which Sir Joseph Bhore is in no way a party. That is an agreement between the British India, the Scindia, and the Asiatic Companies. The Award of Sir Joseph Bhore was entirely confined to those companies which were operating on the west coast.

THE HONOURABLE MR. P. N. SAPRU : Well, I frankly recognise that it is a difficult position for the Government of India with the commercial discrimination clauses and with coastal reservation practically ruled out. But the point is that the British Mercantile Marine in point of fact receives a subsidy from India. Mail contracts are with the P. & O. They have been getting the benefit of our assistance for a large number of years, and they also get the benefit of the Lee concessions. Government servants who have got to go to England are required to travel as far as possible by the P. & O. They therefore get a good deal out of the Indian taxpayer and if they now take a few Indians, I think they are not obliging us at all, and we are therefore entitled as a matter of right to ask them to take some of our boys in their concerns. Therefore, frankly speaking, I am not grateful to the P. & O. for what it is doing for Indian lads. They did not think of taking them until there was an agitation in India that they should take them, and now that there is this agitation the British commercial interests have also got alarmed. There is this Japanese menace and you have got the Report of the Empire Shipping Committee, 38th session, from which Mr. Kunzru read out certain extracts. It is now that British shipping companies have begun to talk of co-operation and goodwill. All that co-operation and goodwill did not occur to them before the agitation started. It is really the Japanese menace and the pressure in India that has awakened them to a greater sense of responsibility. Of course, so far as we are concerned, we are up against this difficulty, that the Government of India Act is against us and it has placed them in a position of distinct advantage. So far as we are concerned, we never stood for expropriation and confiscation. The position that the Indian shipping interests took at Lord Irwin's Conference was explained by Mr. Kunzru and I do not think it can be said that we stand for expropriation or confiscation. We want replacement of British tonnage by Indian tonnage ; we want reservation but we wanted it by paying reasonable compensation to those who were going to be affected by this reservation. That has been ruled out and Mr. Dow has explained what has been done in connection with the "Dufferin" cadets. I understand that through the good offices of the Government some of the "Dufferin" cadets are now being taken in service by British concerns. He also referred us to what the Commerce Member had done in regard to the Haj trade dispute and he pointed out that legislation cannot solve the problem. I think we shall agree to differ there. He said

[Mr. P. N. Sapru.]

that the post office must run as a commercial concern and therefore contracts cannot be given to Indian shipping concerns.

THE HONOURABLE SIR DAVID DEVADOSS : There was no tender from Scindia.

THE HONOURABLE MR. P. N. SAPRU : But then the point is why was it necessary to give the contract for a period of ten years. If there was no tender, why was it necessary to give a long term contract ? Why could not the contract have been given for two or three years ?

In view of the fact that the Resolution is going to be accepted by the House I do not think I will tire the House by saying much more. I have struck a critical note, and I think rightly, so far as governmental policy is concerned. It is only by striking a critical note that we shall be able to make Government go a little further.

THE HONOURABLE THE PRESIDENT : The Question is :

"That this Council recommends to the Governor General in Council to take more active steps for the expansion and protection of the Indian Mercantile Marine."

The Motion was adopted.

RESOLUTION *RE* CENSORING OR STOPPING OF TELEGRAMS.

***THE HONOURABLE MR. HOSSAIN IMAM** (Bihar and Orissa : Muhammadan) : Sir, I rise to move :

"That this Council recommends to the Governor General in Council to so amend the Indian Telegraph Act and rules made thereunder, as (i) to make it illegal to censor or stop messages sent to local, provincial or central authorities, and (ii) to make it compulsory for the telegraph authorities to intimate to the sender the fact of censoring and to refund to the sender the fees received."

Mr. President, the Resolution is so modest that I do not think it requires any lengthy speech to support it, and especially at the fag end of the day with something remaining over, I do not think the House would be very attentive to a long speech. The specific section of the Indian Telegraph Act, which is the subject-matter of the discussion, is section 5, sub-section (1) (b), which lays down—

"On the occurrence of any public emergency, or in the interest of the public safety the Governor General in Council or a Local Government, or any officer specially authorized in this behalf by the Governor General in Council, may—

- (b) order that any message or class of messages to or from any person or class of persons or relating to any particular subject, brought for transmission to, or transmitted or received by, any telegraph, shall not be transmitted, or shall be intercepted or detained, or shall be disclosed to the Government or an officer thereof mentioned in the order."

THE HONOURABLE THE PRESIDENT : Don't you think that your purpose would be served by bringing in an amending Bill ?

THE HONOURABLE MR. HOSSAIN IMAM : There is no need. The Act is specific enough. The Act has given all the powers which I want them to use. The only thing is that the rules made under the Act are not specific

* Not corrected by the Honourable Member.

enough. The matter has been agitated in the country for some time past. Questions were put in the United Provinces Legislative Assembly on this subject. The Honourable the Prime Minister of the United Provinces stated that he had not received full reports of the matter and that when he received the reports he would give them full consideration. The matter also came up before the Legislative Assembly during the Budget session and a cut motion on this subject was carried with the support of the Congress vote. The Act is specific that you can classify and mention the class of persons whose telegrams could be intercepted. It is open to the Central Government to lay down by rule that telegrams which are addressed either to the provincial, central or local authorities should not be intercepted. It is not beyond the powers of the Central Legislature or of the Central Government. They consider that, having once handed over the power to the district magistrates or to the local authorities, it is wrong for them to interfere and take back that power. Now, the conditions are different. With the demarcation between the Central and the Provincial Governments, the officers have ceased to be officers of the Government of India. They are now officers of the Local Government. The Act was passed in 1885; it is more than half a century old and it stands to reason that the changed circumstances do demand that the restriction which was then put should be curtailed a little. I want that I should have perfect liberty to address the Governor General or the Governor about whatever complaint I may have and no authority, local, central or anyone else should intervene and stop that right.

THE HONOURABLE SIR DAVID DEVADOSS (Nominated Non-Official) : Suppose it is a scurrilous telegram ?

THE HONOURABLE MR. HOSSAIN IMAM : Scurrilous telegrams can be intercepted under other sections which relate to slanderous language. You can deal with them; you need not accept the telegram; you can refuse telegrams of that nature. There is a difference between refusing to take a telegram and accepting a telegram and then intercepting it. If a telegram contains objectionable language, by all means refuse to take it and you have the power to refuse it.

THE HONOURABLE SIR DAVID DEVADOSS : Has a signaller power to refuse a telegram ?

THE HONOURABLE MR. HOSSAIN IMAM : Powers have been given to the Telegraph authorities. Under the rules if a telegram is impertinent, it will not be accepted. If a person hands a telegram using bad language against another person, the Telegraph Master can refuse to take it, but once a telegram is received, it is implied that there is an assurance that it will be transmitted. At the moment the sender does not know whether his telegram has been intercepted; so he remains in ignorance. That is why I have made a second provision that wherever a telegram is intercepted or censored, notice of the censoring should at once be given to the sender and he should be given back the money which he has paid. A question may be put whether there has been a general misuse of this power. So far I can say, Sir, that I had taken no interest in the matter. It was only when we were here during the current session that a matter of this nature came to our notice by the interception of a certain telegram by the District Magistrate of Aligarh who incidentally happens to be a personal friend of mine, Mr. N. C. Mehta, who was Secretary to the Imperial Council of Agriculture for a long time in the Government of

[Mr. Hossain Imam.]

India. The intolerance which I have just discovered in a Judge of the High Court will show you how far feelings can go. People are not prepared to consider in a calm mood whether there is a case or not. The present policy of the Government of India is that they have relied for such a long long time on this power without its being misused and therefore they consider that no case has as yet been made out. A solitary instance of its misuse does not mean that a thing is bad and should be changed. My contention on the other hand is that the fact that there has not been a misuse so far is no reason why, when a defect is found, it should be allowed to exist for a single day longer than is necessary. There is no reason, Sir, why this provision was made, that messages can be stopped to any person or class of person or relating to any particular subject. The Act is specific enough. It does give all the powers that I want the Government to use. The only difference between me and the Government is that they are not prepared to use these powers while I want them to use them. It is, Sir, a matter of some importance to us that at the present time with the advance of political liberty and provincial autonomy, it is necessary that our rights and interests should be greater than they used to be in former times. Regimentation would not do now and for this reason, Sir, I move this Resolution.

THE HONOURABLE MR. F. H. PUCKLE (Home Secretary): It would have made it, Sir, easier for me to have observed that brevity, which is so desirable at half past four in the afternoon, if my Honourable friend had not got hold of the wrong end of the stick. Now, that makes it necessary, I am afraid, for me to go in a little detail into what powers exist, whether under the Act or under the rules, to withhold telegrams handed in for transmission by the public. What my Honourable friend referred to was section 5 of the Act. That section is fairly clear; there has to be a public emergency or there must be some interest of the public safety. Then the Central Government or a Provincial Government or any officer specially authorised in this behalf by the Central Government or a Provincial Government may, to cut a long story short, stop the transmission of a wire. Now, in point of fact, this section is hardly ever used. I am not sure whether in the cases which the Honourable Member has in mind, the district magistrate purported to be acting under this section or not. I have not seen the facts. But he may take it from me that it is very rarely indeed that this section is used. Because there is a very much simpler way of doing the same thing in ordinary practice and this is a way, to which my Honourable friend did not, as far as I could make out, refer. That is Indian Telegraph Rule 15, which says:

"Telegraph Offices shall refuse to accept or forward any telegram or any part of a telegram of a plainly objectionable or alarming character".

That part puts the initial responsibility on the particular telegraph officer. It goes on—

"In cases of doubt the matter shall be referred by the officer in charge of the Telegraph Office to a Secretary to Government or other officer nominated by the Local Government from time to time for this purpose if the office is located at a seat of Government, or to the chief civil or military officer if the office is located elsewhere".

That I may say is, generally, in a district the district magistrate or the additional district magistrate.

There is an Explanation of this in the Posts and Telegraphs Manual, Volume XI, paragraph 136, which describes the messages which should be classed as objectionable.

" 136. The following messages should be classed as objectionable :

- (a) Messages which appear to contain false information of an important public nature, or information likely to produce disturbance, or create unfounded public alarm, or embarrass the action of the officers of Government in times of disturbance.
- (b) Messages which seem dangerous to the security of the State or contrary to the laws of the country or public order.
- (c) Messages containing abusive, libellous or indecently worded matter.
- (d) Messages tending to hinder justice, such as an intimation of the issue of a warrant of arrest in a civil or criminal case with a view to abetting escape "

Those are very common—there are hundreds of them.

" (e) Messages sent with the obvious intention of committing a fraud, e.g., to insure a ship already wrecked, or property already burning or burnt "

Well now, the Post Office clerk or the Postmaster, whoever he may be, the Telegraph Master, gets a telegram, which he thinks falls under one of these heads. He is empowered actually to stop it himself, but, if he is in doubt, he must refer either to a Secretary to Government in the headquarters of Government, or anywhere else to the Chief Civil Officer. My Honourable friend can take it from me—it is my personal experience and I also have it from well-informed sources—that in 99 cases out of 100 the Post Office or Telegraph authorities do not take the responsibility upon themselves. They send the thing over to the Chief Civil Officer of the station and he decides what is to be done. I fancy that it is only when a telegram is couched in obviously obscene or indecent language that the Post Office authorities themselves withhold under this rule. What happens is that a telegram comes across to the local Civil Officer with a slip which gives in a concise form the law or the rule under which the telegram may be withheld. And he is asked what he thinks ought to be done with this telegram.

THE HONOURABLE MR. HOSSAIN IMAM : But under what section is this done ?

THE HONOURABLE MR. F. H. PUCKLE : This is the Telegraph Rule.

THE HONOURABLE MR. HOSSAIN IMAM : Rules have no statutory basis. It must be under some law.

THE HONOURABLE MR. F. H. PUCKLE : Oh yes, I beg your pardon. These rules are made under section 7 (2) (a) of the Indian Telegraph Act, which reads :

" 7. (2) Rules under this section may provide for all or any of the following, among other matters, that is to say :

- (a) the rates at which, and the other conditions and restrictions subject to which, messages shall be transmitted ;"

That is the section under which that rule is made. Well, as I say, the district officer, the Chief Civil Officer, gets a telegram with this slip attached to it. He scribbles on it either "No need to withhold" or

[Mr. F. H. Puckle.]

"Withhold". It goes back to the Telegraph Office and mind you that note of the Civil Officer has not the effect of an order; it is merely advice. It is merely advice, though I think it probably is almost always followed. But, actually, the legal responsibility is on the Telegraph people. Now, supposing the civil officer advises that the telegram should be withheld. Then, the sender is informed that his telegram has been stopped as objectionable and the charges are refunded to him. That is invariable when action is taken under rule 15. It is not invariable when action is taken under section 5 of the Act. As I said, it is very rarely indeed that action is taken under the Act. When action is taken under the Act, no intimation is sent to the sender that his message has been withheld. If he discovers that it has been withheld and likes to make a personal claim for refund—a claim in his own name for refund—then he gets his money back. Otherwise, he does not.

Now, I hope I have made the situation tolerably clear. Let me turn to the wording of my Honourable friend's Resolution. He wants to—

"so amend the Indian Telegraph Act and rules made thereunder as to make it illegal to censor or stop messages sent to local, provincial or central authorities".

Now, in practice, the person who stops a message is not really the post office people. It is the local civil authorities. If my Honourable friend will think who are the masters of the local civil authorities, he will see that it is perfectly easy for any Provincial Government, who wish to ensure that 99 per cent. of the messages addressed to them shall be transmitted, to issue instructions to their officers. After listening to me I hope the Honourable Member will not press this Resolution. I have already explained that when messages are stopped under the rules, a refund is made and an intimation is sent to the sender.

THE HONOURABLE MR. HOSSAIN IMAM : What about those messages which are stopped under section 5? Would he consider a revision in that case?

THE HONOURABLE MR. F. H. PUCKLE : No, Sir. Section 5 is intended for a serious situation and it might be inadvisable to let a man know that his message has been stopped at all. I certainly do not see why he should get a refund, unless he takes the ordinary means to ask for it.

THE HONOURABLE THE PRESIDENT : Don't you think you ought to withdraw your Resolution after this?

(Cries of "Withdraw, withdraw".)

THE HONOURABLE MR. HOSSAIN IMAM : As the Honourable Member thinks that this is not the proper place for this, but that the local Legislature is the proper place, I think I had better withdraw the Resolution.

The Resolution was, by leave of the Council, withdrawn.

INDIAN SUCCESSION ACT (AMENDMENT) BILL.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadan) : Sir, I beg leave of the House to move :

"That the Bill to amend the Indian Succession Act, 1925, as respects intestate succession among Parsis, as reported by the Select Committee, be taken into consideration"

Sir, at present the law that governs intestate succession among Parsis is that laid down in 1865 in Act XXI of that year. This Act was repealed by the Indian Succession Act (Act XXXIX of 1925), but this has made no change in the law as all the provisions of the Act of 1865 have been bodily incorporated in sections 50 to 56 and Schedule II, Parts I and II of the Act of 1925. The Parsi community has felt for a long time that this Act, more than 74 years old, requires amendment both in form and substance for various reasons to suit present-day Parsi sentiment and usage. In order to remove doubts, supply deficiencies, and incorporate as far as possible the judicial decisions which the community has accepted, it was best to redraft the whole enactment. The redrafting of this enactment was first taken up by the Parsi Central Association who referred it to a committee of lawyers and others. The Committee's Report was published and freely distributed, inviting comments. It was discussed and changes were suggested principally by the Trustees of the Parsi Panchayat of Bombay.

On the 8th January, 1938, a Conference of the representatives of about 24 important Parsi Associations was called by the Trustees of the Parsi Panchayat and this amending Bill was discussed clause by clause. Votes were taken and the Bill was agreed to by a very large majority. The chief objects of the Bill are :

- (a) the improvement in the positions of the widow and of the daughter (relatively to the son) in respect of succession to the property of a male Parsi intestate ;
- (b) the allotment of a share in the estate of a male Parsi intestate, to his father and mother ;
- (c) the exclusion of the widower of a predeceased daughter of the intestate from the share given to him under section 54 of the present Act of 1925 ;
- (d) the improvement of the position of widows of lineal descendants of the intestate.

The Report of the Select Committee on this amending Bill is now in the hands of Honourable Members. In order to remove still further certain intricate and superfluous details, a new draft has been substituted by the Select Committee as far as possible in consonance with the language of the present Act of 1925. Special care has been taken by the Select Committee to see that no radical change of substance is made in the new draft, except to the extent that the shares given to the parents under section 51, sub-section (c) of the Bill introduced by me in the Council, has been reduced by half in accordance with the wishes of the Parsi Panchayat and the community.

With these words, Sir, I move that the Bill be taken into consideration.

THE HONOURABLE MR. RAMADAS PANTULU (Madras : Non-Muhammadan) : Sir, I rise to support this Motion very heartily. This Bill considerably improves the present position. I am glad to say that the provisions of this Bill have the whole-hearted support of the Parsi community. Sir, in the Select Committee's Report, there is one particular passage to which I would like to draw the attention of the House. It says :

" A proposal was made to us to include in this Chapter of the Act a provision on the lines of section 33A, but, as we understand that the proposal has not found general favour with the community, we have made no such insertion. We are, however, of the opinion that some such provision would be desirable, the figure being varied if necessary to meet the needs of the community ".

Sir, section 33A of the Indian Succession Act makes some minimum provision for the widow when the property is not of very great value. For instance,

[Mr. Ramadas Pantulu.]

where the intestate is a Christian and/or a member of another community to which the Indian Succession Act applies and if the property is worth only Rs. 5,000, the widow gets the whole of it irrespective of the fact that there are other heirs. Personally speaking, I wish a provision like that had been made in this Act on the lines of section 33A of the Indian Succession Act. If the property of an intestate Parsi is only Rs. 3,000 or Rs. 2,500, I should like the whole of it to go to the widow. Some minimum inheritance should be secured to her. I hope this defect will be removed at the earliest opportunity.

THE HONOURABLE MR. SHAVAX A. LAL (Nominated Official) : Sir, Government do not oppose this Bill. A measure which aims at substantially increasing the shares of widows and daughters deserves support. Indeed, speaking for myself, the Bill, as has just been pointed out by my Honourable friend Mr. Pantulu does not go far enough. Even under this Bill the daughter's share is only half that of a son. This disparity is not quite in keeping with modern notions of equality. As against this it has to be remembered that the Bill proposes to double the share which a daughter is entitled to under the existing law. The absence from the Bill of a provision on the lines of section 33A is, I agree, another shortcoming, but in matters touching the personal law of a community we must be guided by the wishes of the community, at any rate of the majority of the community. Of course I do not for a moment suggest that it is the duty of Government or of this House to endorse whatever legislative proposals a community might choose to make. On the contrary, it is the duty of Government as well as of this House to scrutinise very carefully all such proposals and to satisfy themselves that they are in the right direction. To take an entirely imaginary and happily a very improbable case, suppose the Parsi community had proposed a further curtailment of the existing shares of widows and daughters. I am sure neither Government nor this House would have looked with favour on the proposal. That is not however the case with this Bill. Whatever its shortcomings may be the Bill undoubtedly embodies a step in the right direction. Government have received several representations suggesting amendments of the law regulating testamentary dispositions as well. For instance, it is suggested that the time limit on bequests to charities should be removed and that the right of a Parsi to dispose of his property by will even to the exclusion of his children should be restricted. The present Bill however deals only with intestate succession and if the community desires these changes, a separate Bill for that purpose will be necessary.

With these words, Sir, I support the Motion.

THE HONOURABLE THE PRESIDENT : The Question is :

"That the Bill to amend the Indian Succession Act, 1925, as respects intestate succession among Parsis, as reported by the Select Committee, be taken into consideration."

The Motion was adopted.

THE HONOURABLE MR. M. N. DALAL : Sir, I beg to move :

"That in clause 2 of the Bill to clause (a) of the proposed section 53, the following proviso be added, namely :

'Provided that where such deceased son has left a widow or a widow of a lineal descendant but no lineal descendant, the residue of his share after such distribution has been made shall be divided in accordance with the provisions of this Chapter as property of which the intestate has died intestate, and in making the division of such residue the said deceased son of the intestate shall not be taken into account'."

Sir, the use of the expression "in accordance with the provisions of this Chapter" in clause (a) of section 53 would result in a part of the share which the predeceased child would have received had the child survived going to one or the other of the parents of such child. This is not acceptable to the Parsi community, which prefers such residue remaining in the intestate's family. The proviso which I now propose to insert seeks to achieve this result.

Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

THE HONOURABLE MR. M. N. DALAL : Sir, I beg to move :

"That for clause 3 of the Bill the following be substituted, namely :

'3. For Schedule II to the Indian Succession Act, 1925, the following Schedule
Substitution of Schedule II to Act XXXIX of 1925. shall be substituted, namely :—

" SCHEDULE II.

PART I.

(See section 54.)

- (1) Father and mother.
- (2) Brothers and sisters (other than uterine brothers and sisters) and lineal descendants of such of them as have predeceased the intestate.
- (3) Paternal grand-father and paternal grand-mother.
- (4) Children of the paternal grand-father and the lineal descendants of such of them as have predeceased the intestate.
- (5) Paternal grand-father's father and mother.
- (6) Paternal grand-father's father's children and the lineal descendants of such of them as have predeceased the intestate.

PART II.

(See section 55.)

- (1) Father and mother.
- (2) Brothers and sisters (other than uterine brothers and sisters) and lineal descendants of such of them as shall have predeceased the intestate.
- (3) Paternal grand-father and paternal grand-mother.
- (4) Children of the paternal grand-father and the lineal descendants of such of them as have predeceased the intestate.
- (5) Paternal grand-father's father and mother.
- (6) Paternal grand-father's father's children and the lineal descendants of such of them as have predeceased the intestate.
- (7) Uterine brothers and sisters and the lineal descendants of such of them as have predeceased the intestate.
- (8) Maternal grand-father and maternal grand-mother.
- (9) Children of the maternal grand-father and the lineal descendants of such of them as have predeceased the intestate.
- (10) Widows of brothers or half-brothers.
- (11) Paternal grand-father's son's widow.
- (12) Maternal grand-father's son's widow.
- (13) Widowers of deceased lineal descendants of the intestate who have not married again before the death of the intestate.
- (14) Maternal grand-father's father and mother.
- (15) Children of the maternal grand-father's father and lineal descendants of such of them as have predeceased the intestate.

[Mr. M. N. Dalal.]

- (16) Children of the paternal grand-mother and the lineal descendants of such of them as have predeceased the intestate.
- (17) Paternal grand-mother's father and mother.
- (18) Children of the paternal grand-mother's father and the lineal descendants of such of them as have predeceased the intestate " " "

Sir, my amendment seeks to restore the Schedule originally included in the Bill as introduced. This is necessary as regards Part I because the words "on the father's side" which occur in clause (b) of section 55 of the existing Act have been omitted from the corresponding new section 54 of the Bill as amended by the Select Committee. It is necessary as regards Part II because the share of the son's widow has now been considerably accelerated by the new section 54 and therefore it has been completely omitted in the new schedule.

Sir, I move.

The Motion was adopted.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. M. N. DALAL : Sir, before I move that the Bill as amended by the House be passed, I should like to thank the Honourable Members of the Select Committee and especially the official draftsman to the Government of India for the help they gave and the keen interest they took in the matter although the subject was foreign to them, for which I believe the Parsi community has reason to be grateful to them. I tender to them my very best thanks. With these words, Sir, I move :

"That the Bill, as amended, be passed."

The Motion was adopted.

THE HONOURABLE THE PRESIDENT (to the Honourable Mr. V. V. Kalikar) : As regards your Resolution* I have some doubt whether it is not barred by the Resolution moved by Mr. Hossain Imam the other day. Though in that Resolution the word "locomotives" was not mentioned, if my memory does not fail me, discussion did proceed on the question of manufacturing locomotives also. So I have sent for the proceedings and will find time to read them. So it would be better if you would take your chance at the Simla session and have it balloted again, and if it is not barred under Standing Order 70 I will permit it.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) : Sir, I could convince you that it is not barred, but I am not moving it.

STATEMENT OF BUSINESS.

THE HONOURABLE KUNWAR SIR JAGDISH PRASAD (Leader of the House) : Sir, as the Finance Bill has not yet been disposed of by the other

* "This Council recommends to the Governor General in Council to take early steps for manufacturing railway locomotives in India."

House it is not possible for me to announce the next date for the meeting of this House. The provisional plan is that the House should meet at 5 P.M. on Saturday, the 25th to place the Finance Bill on the table, if it is disposed of by the other House in the meantime. In that case the Bill may be discussed in this House on Tuesday, the 28th.

Wednesday, the 29th being a Hindu holiday, I do not propose that the House should sit on that day.

On Thursday, the 30th the Motion regarding the Trade Agreement between His Majesty's Government in the United Kingdom and the Government of India will come up for discussion.

The Council then adjourned to a date to be communicated by circular.