

22nd February, 1934

THE
LEGISLATIVE ASSEMBLY DEBATES
(Official Report)

Volume II, 1934

(17th February to 10th March, 1934)

SEVENTH SESSION
OF THE
FOURTH LEGISLATIVE ASSEMBLY,
1934



NEW DELHI
GOVERNMENT OF INDIA PRESS
1934.

Legislative Assembly.

President:

THE HONOURABLE SIR SHANMUKHAM CHETTY, K.C.I.E.

Deputy President:

MR. ABDUL MATIN CHAUDHURY, M.L.A.

Panel of Chairmen:

SIR ABDUR RAHIM, K.C.S.I., KT., M.L.A.

MR. K. C. NEOGY, M.L.A.

SIR LESLIE HUDSON, KT., M.L.A.

MR. N. M. JOSHI, M.L.A.

Secretary:

MIAN MUHAMMAD RAFI, BAR.-AT-LAW.

Assistant of the Secretary:

RAI BAHADUR D. DUTT.

Marshal:

CAPTAIN HAJI SARDAR NUR AHMAD KHAN, M.C., I.O.M., I.A.

Committee on Public Petitions:

MR. ABDUL MATIN CHAUDHURY, M.L.A., *Chairman.*

MR. K. C. NEOGY, M.L.A.

SIR HARI SINGH GOUR, KT., M.L.A.

MR. T. R. PHOOKUN, M.L.A.

MR. MUHAMMAD YAMIN KHAN, C.I.E., M.L.A.

CONTENTS.

VOLUME II.—17th February to 10th March, 1934.

	PAGES.		PAGES.
SATURDAY, 17TH FEBRUARY, 1934—		FRIDAY, 23RD FEBRUARY, 1934—	
Messages from the Council of State	979	The Railway Budget—List of Demands— <i>contd.</i>	1219—73
Presentation of the Railway Budget for 1934-35	979—86	Demand No. 1—Railway Board— <i>contd.</i>	1219—73
MONDAY, 19TH FEBRUARY, 1934—		Importance of Road-Rail Co-ordination and of the Organisation of Communication Boards throughout the country	1219—39
Member Sworn	987	Maladministration of the Railway Board	1239—53
Questions and Answers	987—96	Muslim Representation in Railway Services	1253—73
Unstarred Questions and Answers	996—1001	Statement of Business	1273—74
Statements laid on the Table	1001—05	Appendix	1275
The Railway Budget—General Discussion	1005—64	SATURDAY, 24TH FEBRUARY 1934—	
WEDNESDAY, 21ST FEBRUARY, 1934—		Questions and Answers	1277—97
Questions and Answers	1065—91	Unstarred Questions and Answers	1297—1302
Short Notice Question and Answer	1091—93	The Railway Budget—List of Demands— <i>concl.</i>	1302—64
Unstarred Questions and Answers	1093—96	Demand No. 1—Railway Board— <i>concl.</i>	1302—61
Message from the Council of State	1096	Unreasonable Rates	1302—40
The Railway Budget—List of Demands	1096—1156	System of Appeals	1340—59
Demand No. 1—Railway Board	1097—1156	Condition of State Railway Press Employees	1359—61
Passengers' Amenities	1097—1118	First Class Railway Station for Cuttack	1361
Statutory Railway Board	1118—56	Demand No. 2—Audit	1361
THURSDAY, 22ND FEBRUARY, 1934—		Demand No. 3—Miscellaneous Expenditure	1361
The Railway Budget—List of Demands— <i>contd.</i>	1157—1217	Demand No. 4—Refunds	1362
Demand No. 1—Railway Board— <i>contd.</i>	1157—1217	Demand No. 5—Payments to Indian States and Companies	1362
Statutory Railway Board— <i>concl.</i>	1157—96	Demand No. 6-A.—Working Expenses—Maintenance of Structural Works	1362
Indianisation of the Railway Services	1196—1217	Demand No. 6-B.—Working Expenses—Maintenance and Supply of Locomotive Power	1362

	PAGES.		PAGES.
SATURDAY, 24TH FEBRUARY 1934—contd.		MONDAY, 26TH FEBRUARY 1934—contd.	
Demand No. 6-C—Working Expenses—Maintenance of Carriage and Wagon Stock	1362	The Wheat Import Duty (Extending) Bill—Passed	1400—2
Demand No. 6-D—Working Expenses—Maintenance of Ferry Steamers and Harbours	1363	The Steel and Wire Industries Protection (Extending) Bill Passed	1423—33
Demand No. 6-E—Working Expenses—Expenses of Traffic Department	1363	The Indian Medical Council (Amendment) Bill—Passed	1424
Demand No. 6-F—Working Expenses—Expenses of General Departments	1363	TUESDAY, 27TH FEBRUARY, 1934—	
Demand No. 6-G—Working Expenses—Miscellaneous Expenses	1363	The Factories Bill—Presentation of the Report of the Select Committee	
Demand No. 6-H—Working Expenses—Electric Service Department	1363	Election of the Standing Committee for the Department of Education, Health and Lands	1435—36
Demand No. 7—Working Expenses—Appropriation to Depreciation Fund	1364	Demands for Supplementary Grants in respect of Railways	1436—49
Demand No. 8—Interest Charges	1364	The Indian Navy (Discipline) Bill—Circulated	1449—87
Demand No. 9—Temporary Withdrawals from Depreciation Fund	1364	Presentation of the Budget for 1934-35	1488—1538
Demand No. 11—New Construction	1364	The Indian Finance Bill—Introduced	1539
Demand No. 12—Open Line Works	1364	FRIDAY, 2ND MARCH, 1934—	
MONDAY, 26TH FEBRUARY 1934		Members Sworn	1539
Member Sworn	1365	Questions and Answers	1539—56
Questions and Answers	1365—86	General Discussion of the General Budget	1556—1612
Unstarred Questions and Answers	1386—88	SATURDAY, 3RD MARCH, 1934—	
Statements laid on the Table	1388—96	Questions and Answers	1613—16
The Negotiable Instruments (Amendment) Bill—Presentation of the Report of the Select Committee	1397	Unstarred Questions and Answers	1616—35
The Salt Additional Import Duty (Extending) Bill—Introduced	1397	General Discussion of the General Budget	1635—
The Trade Disputes (Extending) Bill—Introduced	1397—98	TUESDAY, 6TH MARCH, 1934—	
The Cotton Textile Industry Protection (Amendment) Bill—Introduced and Passed	1398—99	Questions and Answers	1691—1
The Reserve Bank of India Bill—Amendments made by the Council of State agreed to	1399—1400	Unstarred Questions and Answers	1723—3
		Election of the Standing Committee for the Department of Education, Health and Lands	1736
		The General Budget—List of Demands	1736—85
		Demand No. 39—Army Department	1736—47
		Retrenchment in Defence Expenditure and Military Policy	1736
		Demand No. 28—Executive Council	1767
		Federal Finance	176

**WEDNESDAY, 7TH MARCH
1934—**

	PAGES.
Questions and Answers	1787—92
Message from the Council of State	1793
The General Budget—List of Demands— <i>contd.</i>	1793—1845
Demand No. 28—Executive Council— <i>contd.</i>	1793—1845
Reorganisation of the Public Services under the proposed Federal Constitution	1793—1821
Necessity of Expediting the Constitutional Reforms	1821—45

**THURSDAY, 8TH MARCH,
1934—**

Message from the Council of State	1847
The General Budget—List of Demands— <i>contd.</i>	1847—1903
Demand No. 28—Executive Council— <i>concl'd.</i>	1847—1903
Planned Economy	1847—1903
Statement of Business	1903—04

FRIDAY, 9TH MARCH, 1934—

Questions and Answers	1907—14
The General Budget—List of Demands— <i>contd.</i>	1915—75
Demand No. 16—Customs	1915—49
Absence of Oriyas in the Customs Department	1917—19
Status and Salary of Assistant Preventive Officers at Madras	1919—23
Grievances of the Hindus of Sind in the Customs Department	1923—49
Demand No. 17—Taxes on Income	1949—54
Paucity of Oriyas in the Bihar and Orissa Income-tax Department	1950
Hearing of Appeals on Assessment by the same officers and not by Independent Judicial Officers	1951
Arbitrary Assessment by Income-tax Officers	1951—52
Policy of the Income-tax Department	1953
Demand No. 18—Salt	1954
Demand No. 19—Opium	1954

**FRIDAY, 9TH MARCH, 1934—
*contd.***

	PAGES.
Demand No. 19-A.—Excise	1954
Demand No. 20—Stamps	1954
Demand No. 21.—Forest	1954
Demand No. 22—Irrigation (including Working Expenses), Navigation, Embankment and Drainage works	1954
Demand No. 23—Indian Posts and Telegraphs Department (including Working Expenses)—Paucity of Muslims in the services.	1955—75
Paucity of Muslims in the Services	1955—75

**SATURDAY, 10TH MARCH,
1934—**

Questions and Answers	1977—83
Unstarred Questions and Answers	1983—93
The General Budget—List of Demands— <i>concl'd.</i>	1993—2072
Demand No. 23—Indian Posts and Telegraphs Department (including Working Expenses)— <i>concl'd.</i>	1993—2058
Compensatory Allowance for Lower Division Clerks and Sorters	1993—96
Retrenchment Policy adopted in the Posts and Telegraphs Department	1996—2035
Condition of the Extra Departmental Agents	2035—40
Selection Grade Posts	2040—46
Grievances of Railway Mail Service Employees.	2046—50
Protest against the Appointment of the Postal Committee	2050—55
Measures of Earthquake Relief for Postal and Railway Mail Service Staff in North Bihar	2055—57
Wynad Allowances	2057
Demand No. 25—Interest on debt and Reduction or avoidance of Debt	2058
Demand No. 26—Interest on Miscellaneous Obligations	2058

**SATURDAY, 10TH MARCH,
1934—contd.**
PAGES.

Demand No. 27—Staff, Household and Allowances of the Governor-General	2058
Demand No. 29—Council of State	2058
Demand No. 30—Legislative Assembly and Legislative Assembly Department	2059
Demand No. 31—Foreign and Political Department	2059
Demand No. 32—Home Department	2059
Demand No. 33—Public Service Commission	2059
Demand No. 34—Legislative Department	2059
Demand No. 35—Department of Education, Health and Lands	2060
Demand No. 36—Finance Department	2060
Demand No. 38—Commerce Department	2060
Demand No. 40—Department of Industries and Labour	2060
Demand No. 41—Central Board of Revenue	2060
Demand No. 42—Payments to Provincial Governments on account of Administration of Agency Subjects	2061
Demand No. 43—Audit	2061
Demand No. 44—Administration of Justice	2061
Demand No. 45—Police	2061
Demand No. 46—Ports and Pilotage	2061
Demand No. 47—Light-houses and Lightships	2062
Demand No. 48—Survey of India	2062
Demand No. 49—Meteorology	2062
Demand No. 50—Geological Survey	2062
Demand No. 51—Botanical Survey	2062
Demand No. 52—Zoological Survey	2062
Demand No. 53—Archæology	2063
Demand No. 54—Mines	2063

**SATURDAY, 10TH MARCH,
1934—contd.**
PAGES.

Demand No. 55—Other Scientific Departments	2063
Demand No. 56—Education	2063
Demand No. 57—Medical Services	2063
Demand No. 58—Public Health	2063
Demand No. 59—Agriculture	2064
Demand No. 60—Imperial Council of Agricultural Research Department	2064
Demand No. 61—Civil Veterinary Services	2064
Demand No. 62—Industries	2064
Demand No. 63—Aviation	2064
Demand No. 64—Commercial Intelligence and Statistics	2064
Demand No. 65—Census	2065
Demand No. 66—Emigration—Internal	2065
Demand No. 67—Emigration—External	2065
Demand No. 68—Joint Stock Companies	2065
Demand No. 69—Miscellaneous Departments	2065
Demand No. 70—Indian Stores Department	2065
Demand No. 71—Currency	2066
Demand No. 72—Mint	2066
Demand No. 73—Civil Works	2066
Demand No. 74—Superannuation Allowances and Pensions	2066
Demand No. 75—Stationery and Printing	2066
Demand No. 76—Miscellaneous	2067
Demand No. 76-A.—Expenditure on Retrenched Personnel charged to Revenue	2067
Demand No. 76-B.—Miscellaneous Adjustments between the Central and Provincial Governments	2067

	PAGES.
SATURDAY, 10TH MARCH 1934—	
<i>contd.</i>	
Demand No. 77—Refunds .	2067
Demand No. 79—Baluchis- tan	2067
Demand No. 80.—Delhi .	2068
Demand No. 81—Ajmer- Merwara	2068
Demand No. 82—Andamans and Nicobar Islands .	2068
Demand No. 83—Rajputana	2068
Demand No. 84—Central India	2068
Demand No. 85—Hydera- bad	2069
Demand No. 85-A—Aden .	2069
Demand No. 86—Expendi- ture in England—Secre- tary of State for India .	2069
Demand No. 87—Expendi- ture in England—High Commissioner for India,	2069
Demand No. 88—Capital Outlay on Security Print- ing	2069
Demand No. 89—Forest Capital Outlay	2070

	PAGES.
SATURDAY, 10TH MARCH 1934—	
<i>contd.</i>	
Demand No. 90—Irrigation	2070
Demand No. 91—Indian Posts and Telegraphs .	2070
Demand No. 93—Capital Outlay on Currency Note Press	2070
Demand No. 94—Capital Outlay on Vizagapatam Harbour	2070
Demand No. 95—Capital Outlay on Lighthouses and Lightships	2071
Demand No. 96—Commuted Value of Pensions . . .	2071
Demand No. 96-A—Expen- diture on Retrenched Per- sonnel charged to Capital	2071
Demand No. 97—Delhi Capital Outlay	2071
Demand No. 98—Interest- free Advances	2071
Demand No. 99—Loans and Advances bearing Interest	2072

LEGISLATIVE ASSEMBLY.

Thursday, 22nd February, 1934.

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

THE RAILWAY BUDGET—LIST OF DEMANDS—*contd.*

Second Stage—contd.

DEMAND NO. 1—RAILWAY BOARD—*contd.*

Statutory Railway Board—contd.

Mr. President (The Honourable Sir Shanmukham Chetty): The House will now resume consideration of the following cut motion moved by Mr. Gaya Prasad Singh:

“That the demand under the head ‘Railway Board’ be reduced by Rs. 100.”

Raja Bahadur G. Krishnamachariar (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): It is always a great disadvantage to follow up an argument after the stately eloquence of my Honourable friend, Diwan Bahadur Ramaswami Mudaliar, and I am extremely thankful to you that you adjourned the House yesterday and gave us some little time to forget the effect of that eloquence. I shall, in the few observations that I propose to submit for the consideration of this House, put in the forefront the request with which my Honourable friend started, namely, that some device should be had by which the vote of this House should be confined to the question whether legislation to set up this Statutory Railway Board should be undertaken here or in Parliament. While I admit that it is an important question, while the Secretary of State also admits that it is an important question, though I am perfectly sure not in the same sense that we say that it is an important question, I submit that that is not the only or even the most important point in this proposal regarding a Statutory Railway Board, and I would, therefore, respectfully ask that the entire parts making up the constitution of this Statutory Railway Board as pictured in this report or in the sketch proposals, as they call it, for the Statutory Railway Board—I say that the entire proposals contained therein should be submitted for the consideration and the vote of this House. Why I say it is not the most important is, that, if you work back to the time when this White Paper was brought into existence, clause 74, which was brought to the notice of the House by my Honourable friend, Sir Henry Gidney, runs as follows:

“There is one matter of importance which these proposals do not cover, namely, the arrangements to be made for the administration of the railways under the Federal Government. His Majesty's Government” (*I ask Honourable Members to listen to this*

[Raja Bahadur G. Krishnamachariar.]

sentence somewhat carefully) "consider that it will be essential that while the Federal Government and Legislature will necessarily exercise a general control over railway policy, the actual control of the administration of the State railways in India including those worked by companies should be placed by the Constitution Act in the hands of a Statutory Railway Board so composed and with such powers as will ensure that it is in a position to perform its duties upon business principles and without being subjected to political influence."

Then it proceeds to point out the necessity of preserving the rights of the existing Companies, etc., to which I will come later. So that, in the White Paper, as I understand the language of it—I may be wrong, and if I am wrong I speak subject to correction—as I understand the language of this clause, it means that His Majesty's Government consider it essential that a Statutory Railway Authority should be brought into existence by providing for it in the Constitution Act, which is an Act of Parliament, so composed and with such duties as to ensure the control that His Majesty's Government consider essential in the working of the railways. Now, Sir, I understand that language to mean that both the necessity to set up a Statutory Railway Board as well as the definition of the powers which will ensure that Statutory Railway Board to exercise its control fully and effectively over the State-owned and Company-managed railways would be provided for in the Constitution Act itself. I admit it is just possible that the Secretary of State may not insist upon that condition, but I am now upon the point that, when our friends went to England, this was the condition with which they were faced, and they sat. I am entirely at one, I fully believe that my friends did put up a fight when they say that they did, regarding the necessity to have this Indian legislation, but unfortunately they forgot to have it entered in the sketch proposals themselves.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): There was no such fight at all.

Raja Bahadur G. Krishnamachariar: I am very glad. Yesterday we were told that there was a fight, and Mr. Anklesaria, who belongs to my Party, says that there was no fight. Whether they all agreed to Parliamentary legislation or whether the question was never raised at all—both these things are included in the statement of my Honourable friend that there was no fight.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I said very clearly what happened at the meeting, and the arguments which I used then I also mentioned on the floor of the House yesterday—that we were all in favour of Indian legislation.

Raja Bahadur G. Krishnamachariar: The sting is always in the tail. Unfortunately, my complaint is not that there was no argument. As I said, I am quite prepared to believe, I am quite prepared to state—in fact, I do not think I ought to have used the word "believe", because when my friends say that such and such a thing did happen, I have no doubt that it did happen, but my complaint is, not that they did not put up a fight, not that arguments, convincing or otherwise, were not put forward, but that in the sketch proposals, exactly as they said that there should be two Muhammadans, one shall be a European, and the rest, etc., why, I respectfully ask—and I have no objection to yield if my Honourable friend

will tell me why—I respectfully ask, why did they not insist that this provision should find a place in their sketch proposals? The Secretary of State sends a memorandum; and if you read between the lines, not forgetting the lines themselves, you find exactly how his mind works. He says . . .

Dr. Ziauddin Ahmad: May I explain as there is an attack on the Committee? We pressed very hard that this ought to find a place in the report, but we were clearly told that this particular thing was outside the scope or terms of reference of the Committee and that the proper body to discuss it was the Joint Committee of the Parliament.

Raja Bahadur G. Krishnamachariar: We do not know whether there were any terms of reference at all as I shall show presently. But if the Secretary of State said so, if the Secretary of State said that this was within the purview of the Joint Committee and that it would be discussed with the British Indian Delegation, why did he say in the last portion of his memorandum:

“In any case, it would be necessary to preserve in the Constitution Act the existing rights which the Indian railway companies possess . . .”?

That should find a place in the Constitution Act.

Now, the necessity to establish a Statutory Railway Board should find its place in the Constitution Act, and, lastly, the Statutory Railway Board, controlling as it does the entire Indian railway system, ought to be given powers, and it does mean, unless I have entirely misunderstood the English language, that the powers which the Railway authority would exercise would also be provided by Parliamentary legislation, subject, of course, to the position being abandoned by the Secretary of State himself. Therefore, I am perfectly right in stating that whatever the Secretary of State might say, these gentlemen did not go to record or register the orders of the Secretary of State. I may say at once that my Honourable friend is greatly mistaken in thinking, when I am developing this argument, that I am attacking our delegation. I do nothing of the sort. I have got great admiration for the public spirit and self-sacrifice with which these gentlemen left their home and stayed in a cold climate suffering all the inconveniences, only for the service of the country. There is no doubt about it, but that does not prevent me from pointing out that, notwithstanding all their good intentions, the result that they have achieved for us is not in the best interests of the country and it is that that I am criticising, and I hope no one would deny me the right, exactly as my friends, who have been on the Committee, are absolutely of opinion that the conclusions they have arrived at conserve the interests of the country. I have no quarrel with them. They are perfectly entitled to hold that opinion. What I respectfully submit is that I am entitled to show that what they did collectively or individually, not themselves collectively or individually, but taking the terms of the sketch proposals, I say that they do not conduce to the interests of the country and it is that that I am saying. I am not criticising anybody.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhamadan Rural): May I ask my Honourable friend, if he had actually accepted the invitation given to him and gone to the London Committee, what recommendations, different from the one that we have made, he would have made?

Raja Bahadur G. Krishnamachariar: It is always very difficult to say what would have happened if a certain thing came into existence. I am not a prophet to prophesy, but I will presently show the disadvantage with which they started and I should have started protesting against it. My friend, Mr. Gaya Prasad, must have read these White Paper proposals at some time, but when my Honourable friends, who formed this delegation in England, sat very heavily upon him, he must have forgotten everything when he said: "Oh, if I said that parliamentary legislation was contemplated, I was in the wrong". He need not have withdrawn what he said. He need not have expressed his regret, because that is the condition with which these gentlemen started. Why on earth did they not have it provided for in their own sketch proposals? I shall now proceed with my arguments. Mr. Ranga Iyer asked me what I would have done there, if I had been there. I should be sorry to say what I would have done, but the situation as it would have presented itself to me is this. In the year 1930, His Majesty's Government, with the concurrence of the Government of India, had practically made up their mind, I say this without fear of contradiction, that a Statutory Railway Authority should be instituted in view of all these impending reforms including the Federal Constitution, as witnessed by their reference to Brigadier General Hammond. Brigadier General Hammond was asked to report on the necessity and desirability of bringing into existence a Statutory Railway Authority in view, among other things, of the impending constitutional changes and the Federal Government. I do not know, if, beyond this report, that we have in our hands from Brigadier General Hammond, anything else passed, but, when our friends from India went to England, this is what happened. This is what the Secretary of State says:

"The paper entitled 'Sketch Proposals for the future administration of Indian railways', which I now circulate, is the outcome of the deliberation of a Committee which I recently appointed to consider a scheme which I have prepared in consultation with the Government of India to give effect to these principles."

I should very much like to know from my friend, Dr. Ziauddin, what were the terms of the reference that the Secretary of State told him which did not cover the necessity or otherwise of Indian legislation on this matter. I put that question at this stage, because, when these gentlemen went there, the Secretary of State had already a cut and dried proposal and put it before them. If he had said "Now, this is the proposal that I want you to consider", I should have said "Thanks, I am sorry I came here at great risk and trouble. The first question I should like to debate is whether there is any necessity for this Statutory Railway Board". If the Secretary of State said "That is entirely out of the purview of my suggestion", I should have said "*Khuda Hafiz!* I am not going to be a party to your Committee". That is my answer to my Honourable friend, Mr. Ranga Iyer. I was not told this fact when I left the Indian shores. I do not know if my friends were told. They were not told that they were going to consider a scheme which the Secretary of State had already prepared in consultation with the Government of India and that these gentlemen were summoned to dot the i's and dash the t's. The most important and fundamental question is whether you want a Statutory Railway Authority or not. You may want it. I am not at all against it. I shall presently show that to some extent a Statutory Railway Authority might be necessary, but surely in fairness to the persons, who were to be summoned to assist them in their deliberations, how on earth is it that they were not given an opportunity to come to a conclusion as to whether there was any necessity for the Statutory Railway Board or not. I say, Sir, there is no necessity.

That is my first point. There is no necessity in this manner—in the way that you have brought into existence the Statutory Railway Authority or whatever you are going to do hereafter, this is absolutely a wild goose chase. This is absolutely what the sketch proposals start with:

“Subject to the control of policy by the Federal Government and the Legislature, a Railway Authority will be established and will be entrusted with the administration of railways in India as detailed in paragraph 4 and will exercise its powers through an executive constituted as suggested in paragraph 3.”

The Statutory Railway Authority is vested with the control of the entire State-managed railways, but what shall they do? They shall exercise their power through the executive. The word “through” has a little bit of a history behind it if you turn to the provisions of the South African Act. General Hammond, in his very valuable memorandum, gives a summary of the conditions existing all over the world in connection with the administration of the railways.

Dr. Ziauddin Ahmad: As existed three years ago?

Raja Bahadur G. Krishnamachariar: I am not quite sure, Sir, that there has been an earthquake all round the world and that all these railways have ceased to exist. The earthquake happened only in Bihar, and, consequently the railway system brought into existence by the expenditure of crores and crores of rupees still exists, and still my friend's researches would seem to show to the House that they have ceased to exist. We shall go on with the text. In the South African Act of 1909 which constituted this Railway Administration, it is also stated that the Board shall exercise this power through the executive. Thus, the administration of the railways by these gentlemen, who constituted the Board in the South African Act, shall be through an executive, and I was only concerned with that. In the sketch proposals also the word is used and it is a singularly unfortunate copy, if it merely was a copy, because what happened in South Africa? Immediately there arose a clash. The Statutory Board said, they were responsible for the administration; the Federal Minister said, he was responsible. The Statutory Board asked, “what shall we do?” The reply was, “advise”. It was then asked, “what about my advice?” The reply was, “it may or may not be accepted”. This went on until in 1916 the Statutory Railway Board Act was enacted, with the result that the Statutory Railway Authority has been constituted to be an Advisory Authority; it is not an Authority which has real powers of control. That is the effect of the word “through”. Sir, if the past is any guide for the future, if the way these things would work could be judged from our past experience, the word “through” is very very unfortunate.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Between whom was the conflict?

Raja Bahadur G. Krishnamachariar: The Government and the Statutory Authority were all one. Well, I am not the same now as I was when I was young, and Dr. Ziauddin is not what he was in Cambridge studying for his examination. What this thing says is that the word “through” at any rate started the conflict. That is my position and it is rather unfortunate that you copied this word “through”. I shall presently show with regard to the constitution of the Railway Authority which these gentlemen were at great pains to propose by composing their communal differences and

[Raja Bahadur G. Krishnamachariar.]

showing a united front and asking that appointments should be made, so as to ensure the independence of these men from the political influence in England, that these two proposals were promptly repudiated by the Secretary of State. My Honourable friend, the Diwan Bahadur, asked Government to say whether the Secretary of State did accept their proposals. Now, so far as these proposals are concerned, this is the most important of the proposals, but the Secretary of State did not accept their proposals, and I shall presently show that there is nothing in the rest of the sketch proposals which requires any further agreement or non-agreement from the Secretary of State, because they are all parts of schemes the details of which have not yet been worked, and, consequently, the acceptance or otherwise of the Secretary of State is entirely beside the point. You come then to the executive. There is an Executive Authority consisting of the Chief Commissioner, who is well versed in the administration of the railways, and there is the Financial Commissioner, who is not subject to the control of the Chief Commissioner, and there are other Commissioners. In connection with the debate on the Reserve Bank Bill, my Honourable friend, Mr. Vidya Sagar Pandya, told us how in practice the Directors came to be elected and how they themselves congratulated themselves upon the good work they did, and so on. Now, that would exactly be the position, I think of the Statutory Railway Board. Your Executive—I do not care by what fetters you bind them—have after all got to work and, even in the matter of appointments, if you will kindly refer to Brigadier General Hammond's proposals regarding South Africa, you will find that appointments are not questions of policy, appointments are part of the administration, and the men responsible for the administration should be allowed to have free control with regard to the appointments. I believe I am quoting it rightly when I say that he said that the position taken up by the executive is that, unless there is a very serious matter, appointments made by the Executive should be confirmed by the Railway Authority. In some cases, where you come to the higher appointments, these may involve a large question. I quite agree with regard to the matters about which there was a great deal of complaint while it was pointed out that, out of 8,250 questions, 900 questions were devoted mostly to questions of contracts and the salaries of clerks on Rs. 5 or Rs. 10 a month and their other grievances. These ought not to be brought up before this House and there should be an authority to check the position. But how are this Railway Authority going to ensure that particular control which now is transferred from the Governor General in Council to this Railway Authority? In an able memorandum prepared by the Right Honourable Dr. Sapru, he refers to a confidential memorandum which reached him in which he says:

"I received a confidential memorandum * * * containing proposals for the future administration of the Indian railways"

Now, I would respectfully ask Dr. Ziauddin, who started from India with a confirmed determination to oppose the constitution of a Statutory Railway Board, when he sat on that Committee, was this confidential report placed before them in the beginning, in the middle, or in the end?

Mr. C. S. Ranga Iyer: The confidential memorandum of the Honourable gentleman is no longer confidential: it is the memorandum of the Secretary of State to which Dr. Sapru refers. It was then a confidential memorandum.

Raja Bahadur G. Krishnamachariar: If that is so, all I can say is that Dr. Sapru must have forgotten the facts, because he says:

"... containing proposals for the future administration of the railways."

I take it, Dr. Sapru knew exactly what was intended by this memorandum, as he elsewhere refers to our friends being in England discussing about this matter and to their report. Will my Honourable friends, who had been in London, tell me what are the ways by which they are going to ensure control by the Statutory Railway Authority of the railways of India? This sketchy proposal is very brief, I know that, but although they say that brevity is the soul of wit, it has got the qualification of brevity, but I do not understand the wit in it. There are 18 paragraphs—a rather unlucky number too, because this happened in England, where thirteen is, I believe, a very unlucky number—and if you go through these, what they do is to mention as a preliminary the position of the Secretary of State, then they go on with the Board and how it should be established, then they say about the executive, then they say about the control. They say, to whom the property shall belong? Then they say something about the rate and the way in which to safeguard the interests and what sort of account should be prepared where there is an inter-railway conflict or a conflict with some other authority, and what should be done in those circumstances.

Mr. President (The Honourable Sir Shanmukham Chetty): The Honourable Member should now conclude. He has already taken half an hour which is twice the time allowed, and there are quite a number of Members who are anxious to speak. It is in the hands of the House as to how many Members should be able to speak.

Raja Bahadur G. Krishnamachariar: I do not want to dispute your ruling, Sir. But may I respectfully request, out of consideration, that it was I who made it possible for the House to discuss the whole day, and, having regard to the fact that I am probably the only man from my Party who would speak and that it is I who made it possible to continue the discussion, perhaps you will be kind enough to give me 15 minutes more.

Mr. President (The Honourable Sir Shanmukham Chetty): The Honourable Member should conclude within ten minutes.

Raja Bahadur G. Krishnamachariar: All right, Sir. Then I shall proceed very fast, and I hope I shall not lose the wit when I am brief. I was on the point that nothing is said about the details of the control, and if you look at paragraph 4 giving the details of the control, it only repeats that they shall have the control, and then it says about business principles and all that sort of thing. I should have liked to quote, if I had the time, the way in which the business principles are worked in South Africa and how the very same question that I submitted for the consideration of the Honourable the Railway Member, namely, the question of including the strategic railways in the management of the railways, was one of the moot points there. I leave it there with the conclusion, that, so far as the labours of these gentlemen in London were concerned, they have not brought us anything tangible. With regard to the constitution, I have already said that, after a great deal of discussion, our friends came to a

[Raja Bahadur G. Krishnamachariar.]

conclusion which the Secretary of State promptly repudiated. What is the position? Somebody will appoint somebody, and although you lay down the qualification, we all know how these things work in practice as time goes on. Consequently, if you consider the constitution and if you consider how these gentlemen will come into existence, and if you consider how the control will be exercised in the absence of all material, it is difficult to agree that it is absolutely unnecessary for a Statutory Board to come into existence. There will be seven Members and seven saloons. They will get at least Rs. 8,000 a month and will have a host of clerks and stenographers, the red-coated and lace-fronted *chaprasis* and the rest of it. And, if the future Transport and Communications Member cannot get through these things, then another additional Member may be appointed, who will cost only six or seven thousand rupees and his paraphernalia will be only one saloon and not seven saloons. Lastly, Sir, the great disadvantage upon which my friend waxed eloquent, as if it was not the most important thing, was the powers. They say, do not give the powers to the Legislature. In South Africa, in spite of all the protests about the political influence, the Member in charge of the Transport, etc., Branch is the Chairman of that Board. And if you read Hammond's report, you will find that the South African Committee has worked wonderfully well and has insured improvement and development on all lines and yet the condemnation of it was that—at times political influences had the better over the administration. Therefore, there is no such thing as a political influence. When the Governor General does a thing at his discretion, is this House going to believe that he is going to do it with his own free will and not at the dictation of the Secretary of State to whom he is subordinate? In conclusion, I wish to say this. It is the privilege of this House to go into the question of the revenue and expenditure of the railways.

My friend most eloquently stated and I do agree that most of his observations are right that we have here given 195 cut motions with absolutely no idea whatsoever. Sir, that is not the fault of the system; it is the fault of us who come and work here. We are all amateurs and not trained to this sort of thing and, somehow or other, we decide to take a chance in the Assembly. Here we are flooded with papers which we have no time to read; we are rushed through the whole thing. We are asked to sit till half past five. As we have got to do something rather than do nothing, we flung these cuts on the Government people who know very well that we do not mean anything at all by them. They listen to the debate coolly and, at the end, either give a sympathetic reply or oppose the motion. Once they oppose it, the whole phalanx of the official block is behind them and we are outvoted. That is the disadvantage of the Constitution and I hope it will be changed. More responsible men than ourselves and less amateur men than ourselves will come who will study the question and will put forward substantial cuts. It is absolutely impossible to believe that the Legislature could be divested of its control such as it has over a property which belongs to us worth about 850 crores. That is absolutely unimaginable. Sir, if you push that argument to its logical conclusion, then the next 15 days, which are connected with the General Budget, might just as well have been wiped out. It may then be said that out of so many demands two were discussed and the rest were guillotined. Consequently, I submit that, owing to all these disadvantages,

the Authority such as is proposed is absolutely useless without these amendments. And if we know hereafter what those powers are, which would insure control consistently with the interests of India, I for one will at least think that my voice has some strength here. I would support that scheme, but not this scheme of which we do not know either the head or the tail.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, my task has been considerably lightened by the very able speech which my Honourable friend, the Raja Bahadur, has just made, and I do not propose to repeat the arguments which fell from him just now. But I should like to say a few words in supplementing some of the observations made by him.

My Honourable friend said that so far as the very establishment of the Statutory Railway Board itself was concerned, this House and the Indian public had no opportunity of having their say. Now, Sir, I remember to have spoken at least thrice on this question, beginning from 1931, and mine was a voice in the wilderness. If I had the powerful support of my Honourable friend, the Raja Bahadur, on a previous occasion, perhaps the issue which he wants to force on this occasion could have been more usefully debated and a straight decision taken thereon in this House. I had no intention to go into the genesis of this proposal, but as my Honourable friend, the Raja Bahadur, has raised the question as to when it was that Indian opinion ever accepted the principle of this Statutory Railway Authority, I will have to refer, though somewhat reluctantly, to what happened in London in 1930. It was the Government of India that raised this question for the first time in their Despatch on the Simon Commission Report. The Simon Commission Report had nothing to say on this question, and when the Government of India considered the detailed proposals of the Simon Commission, they it was who made the suggestion that having regard to the enlarged powers of influence, if not of control which the future Central Legislature was going to have under the Simon proposals, this was one of the essential conditions of efficient railway administration. When, later, the Round Table Conference was having its first session, as has already been pointed out by my Honourable friend, Mr. Gaya Prasad Singh, a recommendation was smuggled into the report of that Conference, or rather the report of the Federal Structure Committee of the first Round Table Conference, to the effect that the Committee had agreed that such a Statutory Body should be set up if expert enquiry showed it to be desirable. As has already been pointed out, Member after Member protested against that being put into the report, as no such decision had ever been taken by the Committee itself and no discussion had ever taken place on that question. The British Lord Chancellor cited the Maharaja of Bikaner as having raised that issue, but the Maharaja of Bikaner promptly denied having done it. Protest was again raised at the full Conference by Mr. Jayakar, among others, but still this recommendation persists in the report of the first Round Table Conference; and, so far as the British authorities are concerned, they regard the broad issue as *res judicata*, that is to say, the recommendation is there as the recommendation of the Round Table Conference to which Indians were parties.

Mr. N. N. Anklesaria: Is not Federation a recommendation of the Round Table Conference?

Mr. K. C. Neogy: I do not think Federation has anything necessarily to do with the Statutory Railway Board.

Mr. N. N. Anklesaria: Was the principle of Federation ever specifically put in issue at the Round Table Conference?

Mr. K. C. Neogy: There was complete unanimity on that question among the princes and the people of India, and my Honourable friend had better refresh his memory from the reports of the Round Table Conference. That is the position which confronts us. Brigadier-General Hammond's enquiry followed that so-called recommendation by the Round Table Conference, obviously as the expert enquiry envisaged in the report of the Federal Structure Committee. I am giving these things in their chronological order, so that some of the misapprehensions of my Honourable friend, the Raja Bahadur, may be removed. Brigadier-General Hammond's enquiry was the direct result of the so-called recommendation of the first Round Table Conference. I do not know at what stage the question is at the present moment. But we further know that when the Consultative Committee of the Round Table Conference met here, this very question was taken up and the Members recorded their decision against any legislation being undertaken in England so as to interfere with the authority of the Government of India in regard to railway matters. Then followed this London Committee. I had no desire to advance any argument of prejudice on this occasion, and if I had to refer to all these previous incidents, it is simply because I wanted to correct one of the misapprehensions under which my Honourable friend, the Raja Bahadur, appeared to me to be labouring. Here we have a concrete proposal placed before us, and I had better address myself to that. When I find that several of my Honourable friends and esteemed colleagues are signatories to this report, I naturally approach it with a good deal of bias in its favour, and, if I say anything in criticism of their proposals, it is because I have failed to realise all that they intended to convey in this very sketchy "sketch proposals" that have been placed before us. And one of the complaints that I have against my colleagues is that there are things said here which need to be explained more fully, indeed, I find that on certain points at least there is a good deal of difference of opinion between Members of this House who have signed this report as to what was exactly meant to be conveyed.

On a previous occasion, I said that I visualise the Indian railway system as the largest co-operative organisation in the world owned by the people, worked by the people for the exclusive benefit of the people. Sir, the fundamental fact about the Indian railways is the ownership by the tax-payer. Not merely have the Indian railways been constructed out of capital borrowed on the security of Indian revenues, but it has to be remembered that, in the past years, when most of the important railways were working under a system of guarantee, in those lean years, it was the Indian tax-payer who had to make up for the deficit in the earnings of the railways so as to pay the stipulated interest to the working companies. Several estimates have been made as to the total of the losses which the tax-payer had to bear in this fashion. One authority has calculated that if we were to charge a reasonable compound interest on that amount, the total would stand today in the neighbourhood of 800 crores. But even if we were to accept the figure as given by the Ackworth Committee itself, the amount of losses incurred in the past simply for the

purpose of making up the stipulated interest payable to the guaranteed companies, would come up to very nearly 70 crores. When we are discussing the question of transference of control over such an institution from this House, in whatsoever little degree, we must remember this fundamental fact. Now, I must say in justice to my Honourable friends, who represented this House on the Committee, that they do not propose to divest the Indian Government or the Indian tax-payer of the proprietary interests in this huge public utility concern. They say in paragraph 4 "that the railways shall remain vested in the Crown for the purposes of the Federal Government". The Crown, of course, comes in as a constitutional expedient and the proprietorship of the Federal Government is here recognised. The whole question is, what is the agency through which we are going to manage this huge undertaking. I do not mind whether that particular agency is set up by a Statute, but what really matters is that whatever powers that authority is to enjoy, must be allowed to it as a matter of delegation from the principal, namely, the taxpayer of India. By whatsoever manner you effect that delegation, to whatsoever little extent you maintain the control of the Government, these are questions which, to my mind, are of minor importance if once we recognise the fundamental principle that the ownership is of the Indian tax-payer and that the representatives of the Indian tax-payer sitting in the Central Legislature will have the right to say how much authority shall be enjoyed by this managing agency, how much authority shall be left to be enjoyed by the responsible Minister in charge of Communications, and how much authority again shall be left to this Legislature. So long as that fundamental position is acknowledged, I do not mind whether it is a Statutory Authority or an Authority set up by a mere convention of this House. Sir, I remember that when the Constitution under which we are working was introduced, a proposal was made very seriously that the Railway Department should be placed in the same position as the Army Department, namely, that its revenues and expenditure shall not be subject to the same amount of control of this House as of the other Departments, but, that, for the purposes of the Budget, it shall be treated as a non-voted Department. That suggestion did not find any favour with the authorities in England at that time. What is more, when the proposal for the separation of railway finance from the general finances of the country was made, the Secretary of State made it clear that unless the Legislative Assembly agreed to a convention for the purpose of effecting the separation, he was not going to use his authority for the purpose of enforcing any such separation; and the Legislative Assembly, as a measure of self-denying ordinance, passed that Resolution of September, 1924, under which this separation has been effected. It matters very little whether today we have another convention further restricting the rights of this House, and restricting the rights of the future Minister of Communications, or whether we impose such restrictions by legislation in this House. Sir, that brings me to the point which was stressed by my Honourable friend, the Diwan Bahadur, yesterday, and although I do not agree with him that we are necessarily confined to the four alternatives that the Secretary of State has laid down in his memorandum, I agree that, if there is any use in having a discussion today in this House, if there is any use in having a division on this issue, the division should take place on the issue as to whether the legislation should take place here under the fullest authority of the Central Legislature or whether any meticulous provision of a detailed character should be made in the Constitution Act itself. I frankly confess that I

[Mr. K. C. Neogy.]

find it impossible to agree to any of these four alternatives laid down by the Secretary of State. The broad issue to which I am prepared to agree, and the issue which I and my friends are prepared to put to the vote on this motion, is that the Central Legislature of India shall have the fullest and freest liberty to legislate in this matter and that the Central Legislature of the future shall have the freest and fullest liberty of amending the Statute by which any such authority is set up. Sir, the first alternative refers to "adaptation". We have learnt what this adaptation means in connection with the Reserve Bank Bill. We are not going any longer to walk into that trap; and when I come to number 4, I find that there again the freedom of this House, or rather of the future Federal Legislature, to legislate on this subject is hedged round by the previous consent of the Governor General to be given in his discretion, which means, to be given under instructions from the Secretary of State. Those limitations, again, I cannot possibly advise this House to agree to. Therefore, I say that I am perfectly ready and willing to put this issue to the vote, namely, that beyond a bare mention of the Statutory Authority on the lines laid down in Section 126 of the South African Constitution Act, 1909, Parliament should have nothing to do in this matter, and that it must be left to the Central Legislature in India to determine to what extent they are to delegate their powers to the authority for the railway administration, in what manner certain details as provided in this report shall have to be provided for, with the fullest liberty again to the Legislature of India in the future to amend those provisions just as the changing circumstances and the experience of the country may demand and justify. Sir, my Honourable friend, Diwan Bahadur Mudaliar, maintained that once the Statutory Authority is set up, the Secretary of State is wiped out of the picture. I do not know whether he meant it as a kind of general statement or whether this has particular reference only to the question of recruitment to the services. Sir, if I were to agree to either of the two alternatives that he recommended for the acceptance of this House, namely, alternative number one and alternative number four of the Secretary of State's memorandum, the Secretary of State pops up like the Jack in the box whenever he chooses to do so. I do not find that the Secretary of State is effaced in the manner in which my Honourable friend thought that he is.

Sir, I should like now to pass hurriedly through the various provisions of the sketch proposals. The first paragraph says that the control of the policy shall continue to be in the Federal Government. Now, Sir, the first test of the control is, who appoints the Authority, and who dismisses it. I find that the Secretary of State has not accepted the almost unanimous recommendation of the Members of the Central Legislature that the Central Authority shall be appointed by, or rather on the advice of, the Federal Government itself. If the Central Authority really is to be controlled by the Federal Government, it is essential that the entire authority, i.e., all the seven Members, who constitute that Authority, must be appointed by the Federal Government and must be liable to dismissal by the Federal Government. That is a fundamental proposition to which I invite this House to give its definite assent in this motion. Now, under these proposals, as accepted by the Secretary of State, not merely three Members of the Authority out of seven have to be nominated by the Governor General acting in his discretion, but the President of the Authority himself shall be appointed by the Governor General. And we may take it that the

President will be one out of the three nominees of his; that is to say, he nominates the President and he nominates two ordinary Members. So that, here, there will be practically an equality of votes, the President evidently having one more vote than his colleagues whenever there is a tie.

Mr. N. M. Joshi (Nominated Non-official): Only if somebody is absent. It is only in the case of an equality of votes that the President can have the casting vote.

Mr. K. O. Neogy: It is always possible to get an amiable Member on the other side to vote with the nominees of the Governor General. After all, the Governor General will still continue to be the fountain of honour.

Then, Sir, what is more, the President of the Authority shall have the right of access to the Governor General. I should have very much liked my Honourable friend, the Diwan Bahadur, to explain what is meant by this right of access to the Governor General. We are told that this Authority shall be subject to the control of the Federal Government. Not merely that, but whenever the Minister of Communications chooses, he will have the right to be present at the meetings of this Authority and preside at such meetings though he will have no vote. But what is exactly the meaning of the President of the Authority having access to the Governor General? That is a point on which I should like to be enlightened by either Mr. Joshi or Mr. Ranga Iyer when they get up to speak.

Then, we come to a question which was raised by my Honourable friend, Diwan Bahadur Mudaliar. He said that he deliberately opposed the idea of the Minister in charge of Communications presiding over this body. But I find in a speech that he made on the occasion when we discussed the White Paper, that he very much wanted,—if I have read his speech correctly,—a provision to be made more or less on the lines of the South African Act. He quoted section 126 of the South African Constitution which says:

“Subject to the authority of the Governor General in Council, the control and management of the railways, ports and harbours of the Union shall be exercised through a Board consisting of not more than three Commissioners who shall be appointed by the Governor General in Council and a Minister of State who shall be Chairman of the Board.”

Then he wanted to know as to whether the British Government were contemplating such a provision in the Constitution Act, and it seems to me that he would have been satisfied if an answer in the affirmative could be given to him on that point; and he added, that once assured in this manner, he did not care whether this legislation took place here in India or in England. Some advance has been made by my Honourable friend so far as that position is concerned, and I am very glad to have him on the question of legislation with me; but, with regard to the other point, as to whether the Minister in charge shall be the President of this body, I am afraid he has gone back on his original opinion

Diwan Bahadur A. Ramaswami Mudaliar (Madras City; Non-Muhamadan Urban): May I say that that is entirely due to the information that we had regarding the working of the African system?

Mr. K. O. Neogy: I am very sorry that we had no information given to us by my Honourable friend on that point: we have to depend upon whatever information is available to us in published documents.

[Mr. K. C. Neogy.]

The next point that arises is as regards the dismissal of the Authority. The provision in this sketch proposal is that any Member of the Authority may be removed from office by the Governor General in his discretion, if, in his opinion, after consultation with the Federal Government, there is sufficient cause for such action. It is worded very carefully; but this authority to remove is vested in the Governor General, irrespective of the fact as to whether the Member concerned was his own nominee or had been appointed by the Federal Government. That is one point that emerges out of this. The other point is that all that the Governor General is expected to do is to consult the Federal Government. Then he decides on his own responsibility entirely. He may absolutely override the advice of the Federal Government in the matter. Here, again, we find that not merely is a large proportion of this body going to be appointed by the Governor General, but the entire body will be absolutely at his mercy and the entire body will be liable to be sent away whenever the Governor General chooses. That certainly does not make for control being continued in the Federal Government. Apart from this Statutory Authority, we have the Railway Executive consisting of a Chief Commissioner, who will be appointed by the Railway Authority: the Railway Authority will be almost half and half representative of the Governor General on the one hand and of the Federal Government on the other. This mixed body appoints the Chief Commissioner, whose appointment, again, must be subject to the confirmation of the Governor General. The Governor General is not content with merely nominating almost half the Members of the Authority; he must have a final say in regard to the appointment of the Chief Executive. That is the position

Mr. N. M. Joshi: His discretion is not mentioned here.

Mr. K. O. Neogy: "subject to confirmation by the Governor General". It is for my Honourable friend to explain what is the meaning of this Governor General. Is the Governor General expected to act at his discretion, which, as explained in the White Paper, means under instructions from the Secretary of State? Or does it mean the Governor General acting on the advice of his Ministers? It is for my Honourable friend, Mr. Joshi, to explain the point

Mr. O. S. Ranga Iyer: I can easily tell my friend, Mr. Neogy, that as a lawyer he ought to know and he knows as he has suggested, that whenever it is not explicitly stated *on the advice of the Federal Government*, it means the Governor General acting in his discretion.

Mr. K. O. Neogy: I am very glad to hear that, because it is only in confirmation of what my Honourable friend, Mr. Ranga Iyer, and Mr. Joshi have put in a foot note to this provision.

The next Executive Officer, the Financial Commissioner, will be appointed by the Governor General on the advice of the Federal Government. Here we have another authority appointing the second in command; that is to say, the Federal Government will have their own nominee in the person of the Financial Commissioner, very likely to look after the financial interests of the Government. Does such a body make for harmonious working? In the first place the supreme Statutory Railway Authority will represent half and half the Governor General and the Federal Government. Then the Chief Executive will be more representative of the

Governor General, having regard to the fact that his appointment will have to be confirmed by him at his discretion. Then we introduce the second in command as the representative of the Federal Government. I really wonder whether such a system is really going to work smoothly and in the best interests of the Railway Administration. Then a pious expression of hope is made in paragraph 5—"in the exercise of the control vested in it, the Railway Authority will be guided by business principles, due regard being paid to the interests of agriculture, industry and the general public and to defence requirements". I really fail to understand what is exactly meant by business principles when they are tempered by so many considerations. Here again, I want to be enlightened by my Honourable friends, Mr. Joshi and Mr. Ranga Iyer, as to what exactly they meant when they laid down this as the principle which will guide the Statutory Authority, and how exactly these principles were to be carried out in practice and who was going to see to it that all these complicated principles were being duly observed in practice

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): My Honourable friend will find that when the agricultural question came up, we in the Punjab and the United Provinces had been demanding that the rates for wheat transport and for other commodities should be lowered, which is not directly in accordance with business principles; but, on other matters excepting this, the Authority will be guided by strictly business principles.

Mr. K. O. Neogy: I know that Punjab wheat stands on a special footing in these matters, and I am very glad that my Honourable friend, Mr. Yamin Khan, has explained this provision that what was meant was that the Punjab wheat shall be given a kind of preferential tariff

Mr. Muhammad Yamin Khan: And Bengal rice also!

Mr. K. O. Neogy: Thank you very much. It is really playing with a very important matter. If anything has baffled the ingenuity of railway authorities all over the world, it is how to prescribe the appropriate rates and fares which, while conforming to business principles, would advance the agricultural and industrial interests of the country. It is not so easily explained as my friend, Mr. Yamin Khan, thinks.

Now, Sir, we come to the question of voting:

"Revenue estimates will be submitted annually to the Federal Government, which will in turn submit them to the Federal Legislature, but these estimates will not be subject to vote. If the revenue estimates disclose the need for a contribution from general revenues, a vote of the Legislature will, of course, be required. The programme of capital expenditure will be submitted to the Federal Government for approval by the Federal Legislature."

As far as I can make out, what the London Committee intend to convey is this, that the railways shall, in future, so far as capital expenditure is concerned, be financed out of loans which will still continue to be secured on the credit of the general revenues of India, and not on the security of the railway property itself, that is to say, the Federal Finance Minister shall be responsible for finding money for carrying out the capital programme of the railways in future, and, therefore, Sir, the need for vote of the Federal Legislature for capital expenditure becomes quite obvious. Apart from that, if in any year the railway revenue is not sufficient to carry on the railway administration, there again the general tax-payer will be asked to put his hand into his own pocket and bring out additional money for the privilege of enabling the Statutory Railway Authority to run the railways

[Mr. K. C. Neogy.]

of India on his behalf. My Honourable friend, the Diwan Bahadur, was pointing out that, if you run your eyes through the list of amendments that appear on the order paper today, you will see that almost all of them relate to token cuts which seek to raise questions of principle alone; that this question of voting is not taken seriously by this House, and for that reason it does not very much matter whether we give up this privilege or not, because those very questions of principle shall continue to be debated in this House. Now, Sir, I am very much afraid that when the general debate comes up in a few days, my friend will again run his eyes through the list of cuts and say: 'here we find nothing but token cuts, what is the use of giving any power of voting to this House because that has never been exercised, and that is not intended to be exercised'. My Honourable friend, Sir, is a very keen student of parliamentary institutions, and I do not know whether he will oblige this House by saying as to when it was last that a substantial cut was made in the House of Commons when the estimates were before it. As far as my memory serves me, the only use which the House of Commons makes of debates on the estimates is to raise questions of principle exactly in the same manner as we do by means of token cuts. My Honourable friend will perhaps tell us as to whether in his conversations with his many friends, who are Members of the House of Commons, he has found any one who on that very ground would say that the power of voting supplies should be taken away from the House of Commons?

Sir, my friends opposite will bear me out when I say that though, as a result of past experience, they know that they can always count upon this House passing the demands which they put before it in their entirety, they do not feel quite comfortable when they come before this House for seeking our vote on their demands. It is a constitutional check of very great importance. Whether we in practice exercise the right of refusing supplies or not, the very fact that not a single pice of the votable supplies can be spent, without the formal sanction of this House, itself exercises a very great check upon the spending Departments of the Government. Shall I put it the other way? If, as my Honourable friend says, we, as a matter of fact, do not discuss anything but questions of policy, what is the necessity for taking away the power of voting from this House? Is the Federal Legislature of the future going to be any less reasonable than we are? Look at the Constitution which you are laying down for it. There will be 33 and odd per cent. States representatives, then there will be so many divisions, counter divisions and cross divisions among the rest. Is there any likelihood that the Federal Legislature at any future date will have the hardihood to refuse supplies? If such an occasion arises, certainly such action will be fully justified; if a House, constituted as it is going to be, were to refuse supplies, the supplies would certainly deserve to be refused on that occasion.

Now, Sir, connected with this question of voting is the question of the control, the *post mortem* control, shall I call it, exercised by the Public Accounts Committee which is a Statutory Body; and, along with the Statutory control exercised over the accounts by the Public Accounts Committee goes to some extent the control which is exercised by the Auditor General in respect of the audit of the railway accounts. Sir, take away this right of vote of this House, the Public Accounts Committee ceases to have that Statutory Authority to scrutinise the accounts of the railway system. And may I appeal to my Honourable friend, Mr. P. R.

Rau, to tell this House from his experience, as to whether he has not found, during the past few years when he has been attending the Public Accounts Committee on behalf of the Railway Department, that the control exercised by the Public Accounts Committee, although it is in the nature of a *post mortem* control has been very effective in the matter of checking abuses and extravagant and wasteful methods of the various railway administrations? Now, Sir, you are taking away that salutary control, because that is a corollary to the right of vote which this House possesses over the estimates of the railways. Not merely that. If my friends will go through the Statutory provisions regarding the Auditor General's functions, they will find that the Auditor General has got the right and the obligation to report irregularities of a certain character to the Public Accounts Committee. That part of the Auditor General's functions will cease to operate. . . .

Mr. N. M. Joshi: Why do you say so?

Mr. K. C. Neogy: It is for my friend, Mr. Joshi, to explain as to how he is to maintain the Statutory control of the Public Accounts Committee with which, to a certain extent, goes the control of the Auditor General.

While I am on the point of the Auditor General's control, may I just refer briefly to paragraph 9 of the sketch proposals:

"The Railway Authority will at all times furnish the Federal Government with such information as that Government may desire, and will publish an Annual Report and Annual Accounts. The accounts of the State-owned lines in British India will be certified by or on behalf of the Auditor General."

Here, again, I must ask for a little enlightenment from my friends, Mr. Joshi and Mr. Ranga Iyer, as to what exactly is meant by the word "certified". Are they contemplating to put the Auditor General on the footing of a private firm of auditors with reference to the Railway Accounts? Is the function of the Auditor General to be confined merely to certifying that the accounts have been properly and correctly maintained? If that be so, I desire to point out that under the Statutory rules which govern the duties and functions of the Auditor General, the Auditor General is expected not merely to check the expenditure with reference to rules of sanction, and so on, not merely to carry on a technical check, if I may describe it by that expression, but it is open, nay, it is incumbent upon the Auditor General and his representatives to exercise what are called higher audit functions, that is to say, to tell the Department concerned that they have not been prudent in undertaking a particular expenditure. May I read out one of the canons which are to govern the audit of the Government expenditure by the Auditor General?:

"The Auditor General shall, without prejudice to his other audit functions, be responsible that audit is conducted with reference to the following canons, namely. . ."

—The first canon is very important from the point of view of my present submission—

"Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money."

I do not want to go through the other canons, but is the Auditor General contemplated to still continue this particular function? Will he still be entitled to point out that the Railway Authority has gone wrong

[Mr. K. C. Neogy.]

in undertaking a particular expenditure, that a particular expenditure was not justified on the results, that an expenditure had been undertaken by the Railway Authority by contravening this particular canon which required every Government officer to be as careful in these matters as he would be in respect of his own private funds? The accounts will be certified by the Auditor General, say my friends! I should like to know what is exactly meant by "certified", and whether these considerations were borne in mind by them when they penned this recommendation.

Diwan Bahadur A. Ramaswami Mudaliar: Not an arithmetical certification.

Mr. President (The Honourable Sir Shanmukham Chetty): The Honourable Member should conclude in five minutes.

Mr. K. O. Neogy: Then I come to the question of recruitment. My Honourable friend, Mr. Mudaliar, in explaining clause 8 of the Sketch Proposals, referred to this sentence:

"In its recruitment to the railway services, the Railway Authority shall be required to give effect to any instructions that may be laid down to secure the representation of the various communities in India."

And my Honourable friend, Mr. Sen, raised the question as to who was expected to lay down these instructions. My Honourable friend, the Diwan Bahadur, not only said the Federal Government, but he further maintained that the Secretary of State had absolutely disappeared once the Railway Authority was set up, so far as this particular point was concerned. This is what he said:

"The Secretary of State does not enter into this question at all. He is wiped out of the picture the moment the Railway Authority is constituted."

I do not know whether any decision has been taken in England as yet on the question whether the Secretary of State will still continue to recruit for the railway services in India, because this is what we find at page 28 of the White Paper:

"The question of the continued recruitment by the Secretary of State to the Superior Medical and Railway Services is under examination. His Majesty's Government hope to submit their recommendations on this matter later to the Joint Select Committee."

I do not know whether the Joint Parliamentary Committee had any occasion to discuss this question and whether any decision has been arrived at.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): It had an occasion to discuss it on the very last day of the Conference, but no decision was arrived at except a very provisional one which was supplemented in a separate note issued by the Secretary of State.

Mr. K. O. Neogy: Is it, therefore, correct of my Honourable friend, Mr. Mudaliar, to say that the Secretary of State drops out of the picture so far as this question of recruitment is concerned? All I find in this clause is that in making recruitment, so far as it will be permissible for the Railway Authority to make recruitment, it shall give effect to the principle of communal representation. That is all that this sentence means so far as I can see.

Lieut.-Colonel Sir Henry Gidney: That is all.

Mr. K. O. Neogy: What happens then to the question of Indianisation? Is it open. . . .

Diwan Bahadur A. Ramaswami Mudaliar: Please read the next sentence.

Mr. K. O. Neogy:

"In regard to the framing of rules to regulate the recruitment of the Superior Railway Services the Public Service Commission shall be consulted."

I am very much obliged to my Honourable friend for having pointed that out, because that brings me to another point. What functions are we contemplating for the Public Service Commission in regard to the recruitment of Indian officers in so far as they will be recruited in India and not by the Secretary of State? The Public Service Commission shall be consulted in regard to what? In the framing of rules and not in the actual recruitment as is the case at the present moment! I am very much obliged to my Honourable friend for having drawn my attention to that. I find that my Honourable friends, Mr. Joshi, Mr. Padshah and Sir Muhammad Yakub, took the view that the Public Service Commission should be consulted in regard to the recruitment, not in regard to the framing of rules only, and that Sir Muhammad Yakub states that the Commission should be utilised in making the appointments as far as is practicable. That shows that my Honourable friend, Mr. Mudaliar, is not in agreement with his colleagues, because I do not find his name in this minute of dissent and that he is content to leave the framing of rules alone to be done by the Statutory Authority in consultation with the Public Service Commission, and my Honourable friend has not obliged this House by explaining the manner and the method of recruitment which he contemplates to be carried out when the Statutory Railway Authority is set up.

Lieut.-Colonel Sir Henry Gidney: If I may interpose, I believe that the consensus of opinion at the Joint Parliamentary Committee was that, the only Services in which the Secretary of State would be likely to exercise any control as regards recruitments, etc., would be the Security Services, that is the I.C.S. and the I.P.S., and that all other Services would be at the discretion of the Government of India and that the Public Service Commission would be the appointing, recruiting and controlling authority.

Mr. K. O. Neogy: I am very much obliged to my Honourable friend for having interpreted the Secretary of State in this House.

Lieut.-Colonel Sir Henry Gidney: No, what I say is a fact.

Mr. K. O. Neogy: I know that there is a technical interpretation given to that expression, "Security Services". I know this also that in his evidence before the Islington Commission,—and I have the advantage of speaking in the presence of a member of that Commission,—Sir Thomas Ryan, who was then Mr. Ryan, Secretary of the Railway Board, said:

"The Railway Board, besides being a business concern, also were a necessary factor in maintaining the security of the country both from a military point of view and from the point of view of internal security."

[Mr. K. C. Neogy.],

While giving that evidence, he was justifying the present composition of the higher services of the railways. I should very much like my Honourable friend, Sir Henry Gidney, to say as to whether that principle is going to be departed from by the Government, that is to say, that they will no longer consider the Superior Railway Services to have anything to do with the security, military or otherwise, of this country.

Diwan Bahadur A. Ramaswami Mudaliar: Did the Government ever accept that principle?

Mr. K. C. Neogy: The Government have always been acting on that principle: I wish my Honourable friend were a little more wide awake. That accounts for the large proportion of a certain favoured class of people in the higher services of the railways.

I have exhausted the time at my disposal, and I should like to conclude by repeating what I said towards the beginning of my speech. If this motion goes to a division, I for myself and my friends would consider it to mean that we want the fullest freedom to be preserved for this House to legislate in whatsoever manner it likes for the purpose of setting up a managing agency system, call it a Statutory Railway Authority or by whatever name you like, and that the unfettered right of the successors of this House shall be maintained in regard to the amendment of such a Statute. It is in that sense that I and my friends will take a vote upon this question. (Applause.)

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Although I was not a member of the London Committee that dealt with the question of Statutory Railway Authority, I should like to say a few words as to what happened. I was a member of the Delegation, and the question was brought up before us. Honourable Members will find that in the Joint Memorandum of the British Indian Delegation, a definite recommendation has been made that the Statutory Railway Authority should be set up by legislation of the Central Legislature. Raja Bahadur Krishnamachari, I think, was rather hard upon the members of the Committee when he complained that there was no mention in these proposals before us, of the authority which was to set up the Board. It has been explained, and, I believe, correctly, that that question was taken out of the purview of the London Committee on the ground that the Joint Parliamentary Committee had seized of the entire question of legislation on the future Constitution. If that was so then it did not lie with the London Committee to make any proposal that the necessary legislation should be made by the Central Legislature and not by Parliament. That, to my mind, is the real issue before this House at the present moment, *viz.*, whether legislation setting up a Statutory Authority should be by the Indian Legislature or by Parliament, and I entirely agree with my Honourable friend, Mr. Neogy, that we should be responsible for setting up the Railway Authority, such as is proposed. It is not necessary to give at length the reasons for this claim of ours. As has been pointed out, we have to raise the revenues, it is the Central Legislature that is responsible for the money that is to be spent by the railways and, therefore, it is right that this House, whether the present Legislature or the Federal Legislature, which will come into being afterwards, must legislate on the subject. I believe, there is complete agreement as regards this point on this side of the House. The members of the London Committee,

one after another, I mean those who have already spoken, are agreed that the needful legislation should be enacted in India and not in England. That is really the point we have to decide upon in this debate. If that is agreed to, then it seems to me, questions of detail do not really arise for discussion at the present moment. I admit that the criticisms which have been levelled at the sketch proposals by my Honourable friend, Mr. Neogy, are very searching and very instructive, but if we are claiming the right to legislate for the Railway Authority of the future, it must be left to the Legislature when it takes up the matter to frame proper proposals for the purpose.

Raja Bahadur G. Krishnamachariar: What is the point in your London Committee?

Sir Abdur Rahim: I am coming to that. The London Committee has made certain suggestions as regards the constitution of the Railway Authority and its functions. Now, that is a matter for the Legislature when the proper time comes to consider and to consider very carefully as to how far they are going to accept those proposals. If we were asked at the present moment to accept everything that is there, undoubtedly the proposals are open to criticism, but these are mere skeleton proposals, and it must be open to the Legislature, whenever it legislates on the point, to review the entire position and to come to a proper conclusion as to how far it will accept these proposals as the principles on which legislation should be based. The paper that we have before us is not very explicit on all the points. It could not well be. The subject is very extensive and you would not expect that, in the few pages that are before us, we should have all the important matters, that require consideration, dealt with properly. Take the question of control of policy which the London Committee unanimously agreed should be vested in the Federal Government and the Federal Legislature. That is clearly laid down. As regards what comes within the scope of such control of policy and how that control is to be exercised, that is a matter which requires very careful consideration. I suggest that that has to be examined in detail and definite provisions have to be made as to how the Legislature is to exercise its control, what opportunities it will have for exercising adequate control over the policy of the Railway Authority. But we have got the principle laid down that the Federal Government, and the Federal Legislature will control, for instance, the policy of rates and fares and other similar questions of policy that may arise.

Now, it seems to me that it has been very forcibly pointed out by Mr. Neogy, that if the Budget is not to be subjected to vote, the opportunity for laying down the policy for railway administration will be very meagre indeed. It is perfectly true and cannot be denied that presentation of the Budget is the proper occasion when the policy of an administration is reviewed, and that is done by means of what we call "token cuts". I do not know that it was intended that even token cuts should not be allowed. In any case, so far as the members of the London Committee are concerned, from what we have heard from them, it was surely their intention, and, I believe, they are agreed now, that full opportunities must be given for discussing the policy of the Railway Administration. If that is so, it really becomes a matter of detail in what form that opportunity should be given. Token cuts are the proper form and the ordinary procedure

[Sir Abdur Rahim.]

in such cases, and I do not know that the members of the London Committee ever intended that that power should not be available to the Legislature.

Mr. B. Das (Orissa Division: Non-Muhammadan): They are silent.

Sir Abdur Rahim: Now, as regards the control of administration; in a matter of this sort, it must be very difficult to distinguish in many cases whether it is a matter of administration or a matter of policy. I do not think that the members of the London Committee contemplated or agreed that the Legislature should have no say at all as regards the administration. It seems to me that that could not have been their intention, though no doubt the proposals are worded in very general terms and may be liable to that interpretation. If we are free to legislate on this point, we can clear up the position and we can lay down that, as regards day-to-day administration, the Railway Authority should be the sole authority and not the Legislature. To that extent we are all agreed; the day-to-day administration is not to be interfered with. But I do not think the members of the London Committee could have agreed that no question relating to the administration of railways should be debated upon in this House. Supposing it happens that there have been a series of accidents on a certain railway line. Would this House be precluded from discussing that? Certainly not,—and, it may well be argued that questions arising out of a series of accidents occurring on a particular railway relate to matters of administration and not of policy.

Mr. C. S. Ranga Iyer: If you will read paragraph 2—under questions of public interest, certainly the Honourable the Leader of the Opposition is right, the House will always discuss such things.

Sir Abdur Rahim: Take, for instance, the unpunctuality of trains. That is a matter of administration and it surely could not have been intended that it should be taken out of the purview of the Legislature. No responsible Legislature would allow that. Otherwise, it would mean that the Legislature would have nothing whatever to say as to how the railways are administered. That could not have been the intention of the London Committee. I do think that, in many of these matters, the questions which will arise will have to be considered by the Legislature, who will deal with them.

Now, as regards certain broad questions of a constitutional character, which affect the entire constitution of India, I do hope the House will be given full opportunity to discuss the joint memorandum of the British Delegation regarding the future Constitution of the country. The House will then be in a better position to judge in what way some of the provisions suggested in these sketch proposals bear upon the future Constitution of the country. Until then, it will be very difficult for Honourable Members to understand some of the proposals. At present I say that the only issue before the House is whether this Legislature should legislate and set up the future Railway Authority or whether Parliament is to do that. The four alternatives mentioned by the Secretary of State are there and I need not read them out to the House, but it seems to me that it could not have been intended by those Indian Members of the Legislature, who went to London, that the sketch proposals, should,

as they stand, be accepted as the principles upon which future legislation must be based. I take it, what was really intended—at any rate that is how I read these proposals—was that it would be better for the administration of the railways if its day-to-day administration were entrusted to the hands of a Statutory Body. We have at present a Railway Board, and what is wanted is that we should pass a Statute creating a Railway Authority and entrust the administration of the railways to that body. That is really the gist of the present proposals. That proposition, I believe, will be accepted generally by the House. If that be so, then, as regards the rest, that is a matter to be considered at the time when the appropriate legislative proposals be placed before this House.

Mr. F. E. James (Madras European): Mr. President, I do not wish to discuss the details of the report as those details have already been the subject of adequate discussion and will probably continue to be the subject of further discussion as between those who went to London and those who stayed behind. The only purpose of my intervention at this stage is to make clear the attitude we have always taken to the question of legislation in connection with the setting up of a Statutory Railway Authority. I think it was I who had the privilege of saying last year in this connection that we saw no objection to this House having the power to set up by legislation this Statutory Railway Board subject to the inclusion in the Constitution Act of a clause embodying the principles to be followed in such legislation. In other words, we agreed to the alternative mentioned as alternative No. 3 in paragraph 5 of the Report of the London Committee, and I think Sir Abdur Rahim, in what I may be permitted to describe as the very reasonable and statesmanlike attitude that he was prepared to take, indicated that that is the line he would be prepared to take.

Now, Sir, I should like to impress upon the House, if I may, the importance of achieving an agreement on this vote, if possible. I understand that the proceedings of this debate are to be forwarded to the Secretary of State or, at any rate, that is our suggestion to the Honourable the Commerce Member. Therefore, if this debate goes forward with some general agreement as far as legislation is concerned, surely it is bound to have very great effect upon the consideration which His Majesty's Government will shortly be giving to the matter. My Honourable friend, Mr. Neogy, in a very powerful speech, put forward a fifth alternative which is not included in the Committee's report. As far as I understood his alternative, it was that this House should have the right and power to legislate and that its successors should have the right and power to legislate without any reference to a Constitution Act and without any reference to any reservations which might be placed hereafter in the hands of the Governor General.

Mr. K. C. Neogy: May I just explain what I meant? In one part of my speech I referred to a section in the South Africa Union Act and I said that the House will be perfectly right and willing to have a section like that in its new Constitution Act, the rest being left entirely to the discretion of the Central Indian Legislature for legislation.

Mr. F. E. James: I find very little difference, Sir, between that attitude and the proposal put forward as alternative No. 3 in paragraph 5 of the report. It may be that there may be some difference of opinion as to the

[Mr. F. E. James.]

number of principles that should be enunciated in the Constitution Act but if my friend, Mr. Neogy, really is urging that legislation should be left to this House subject to the enunciation of general principles in the Constitution Act. then surely there is no difference of opinion between us. What I wish to urge is that, if possible, this House should put on record as its opinion that legislation so passed should be subject to the laying down in the Constitution Act of general principles as to the formation of the Board. That is the line which we take and that is the proposal which we should support. We shall not be able to support any proposal which would, in fact, fetter the discretion of Parliament at this particular juncture in laying down the general principles on which the Board should be organised.

Mr. K. O. Neogy: They may not be the general principles to which we might agree. There is a world of difference as to what are called "principles" by different people.

Mr. F. E. James: It is impossible to say precisely what they should be, but the general principles would be those sketched in this report.

Mr. K. O. Neogy: No, no.

Mr. F. E. James: My Honourable friend has no justification for saying that that is not going to be the case. I have as much justification for saying that that will be the case as he has for saying that it will not be the case.

The only object that I had in rising to speak at this moment was to remind the House that a vote on this question, if it is to be of value, should be a vote with as much unanimity as possible. We are prepared to support the alternative which I have mentioned, but we cannot support the alternative that Mr. Neogy has enunciated as far as I can understand it. The legislation we advocate is the legislation that I have referred to which is mentioned on page 2 of the report. We cannot at this stage suggest that Parliament shall have no right to put into the Constitution Act a clause laying down the fact that there should be a Statutory Railway Board and that it should be formed on a certain definite principle. If Mr. Neogy presses his vote, we shall have to vote against it.

Mr. K. O. Neogy: I am not at all afraid of that.

Mr. F. E. James: I am quite sure you are not. On the other hand, if we can achieve something unanimous, the effect of this on His Majesty's Government will be more satisfactory than if we present a divided vote.

Mr. President (The Honourable Sir Shanmukham Chetty): The House will probably be faced with some difficulty when the actual question is put. Honourable Members no doubt realise that, in these token cuts, the words within brackets are mentioned just to give an indication to the Government and to the House as to the subject which the Mover of the cut motion would like to discuss on that particular motion, and when the question is actually put, in fact those words are not mentioned and they do not form part of the question. Of course, each Honourable Member may have in his own mind a particular aspect of the general question on

which he is voting, but the Chair can realise that in this particular matter there would be considerable difficulty. It is necessary, if possible, to arrive at the greatest measure of agreement amongst the various Parties on this point, so that, if the report is to be forwarded to the Secretary of State and to the British Government and they are to be guided by what has been expressed in this House in framing their report, the House might have indicated something definite on which the British Government might go. The Chair will have no objection to put the question with a formula if there is general agreement. The Chair has been thinking about this matter and it just suggests, as a tentative proposal, the following formula which the Leaders of Parties might discuss during the Lunch interval. It is this:

"That legislation, both initial and amending, regarding the constitution and functions of the Statutory Railway Authority, should be by the Central Legislature in India."

That is a formula which might probably afford the greatest measure of agreement and the Chair thinks the various Leaders of Parties might discuss over the matter, so that, if there is a general agreement on that point, the Chair will put the question in that form.

Mr. N. M. Joshi: Mr. President, I rise to support the proposal made by my Honourable friend, Mr. Neogy, that the legislation as regards the establishment of the Statutory Railway Board should be passed by this Legislature, and this Legislature should possess also full powers as regards the amendment of that legislation. My Honourable friend, Mr. James has made a proposal in order that there should be unanimity. I feel for the proposal made by Mr. James, unanimity is not necessary at all, because Mr. James is suggesting that we should leave to Parliament the general principles of the Statutory Railway Board, and we should request Parliament to leave the filling of the details to us. Mr. President, is there the least doubt or suspicion in any Member's mind that the details with regard to the Railway Authority will ever be passed by British Parliament? The British Parliament, even if they have the desire to legislate on the details of the Statutory Railway Board, will not have the time for it. Therefore, there is no point in saying we should go to Parliament with our Resolution and tell them that they should legislate on the principles of the Statutory Railway Authority and they should be kind enough to leave the details to us. If the Parliament wants to do something, they only want to legislate on the principles concerned. Therefore, unanimity on that proposal is not necessary. If unanimity is desirable, it should be on the point that the Indian Legislature should possess the fullest power as regards the legislation and the amending of that legislation. I, therefore, feel that, if unanimity is possible, let us have it on that proposal. But if unanimity is not possible, let us have a division on the proposal of Mr. Neogy, and, whatever may be the voting, it should be sent to the British Parliament.

Mr. President, there is some difficulty which I personally feel in discussing this question. My Honourable friend, Mr. Neogy, **1 P.M.** appealed to me several times that I should explain the report of the Committee that met in London. It is true that I was privileged to be a member of that Committee. But I am one of the unfortunate members who had to write the largest number of dissenting minutes. Still,

[Mr. N. M. Joshi.]

I shall try my very best to put before this House my own views on these proposals. I quite realise the apprehension which some Honourable friends feel in transferring or delegating the authority to another body in this matter. This hesitation is felt by all people. When we ask the British Government to transfer their authority to us, they feel some hesitation as to how we shall make use of that authority. Similarly, when the Legislature is asked to part with its power in favour of some other organisation, it is quite natural that the Legislature should feel some hesitation and some doubt as to how that other organisation is going to utilise that power, but the Legislature has to make up its mind on the main principle, and that principle is this. Is the Legislature willing to delegate its authority in part or in whole to another organisation in the matter of our railway management? Let Honourable Members make up their mind on that principle, let them fight over that principle if they like, but, if they once make up their mind on that principle, whether it is desirable to delegate their authority to some other body or not, then it will be easier for them to understand the implications of this report. My own personal view is this, that for the proper management of our railways, it is a desirable thing to have another organisation which will be endowed with authority by the Legislature. That authority to be established should be representative of all the important interests of this country. If we could devise an organisation of that kind, I, for one, will have no hesitation at all in transferring the fullest power to that Authority. What is, therefore, necessary is this. We should see whether the Authority which we are going to establish is an Authority which is likely to command our confidence (Hear, hear), and if that Authority commands our confidence, let us not cavil at the fact that we are not going to have the power to vote on Budget or we are not going to have the Public Accounts Committee. I, therefore, feel that what the Honourable the Leader of the Opposition said was right that, if we have the fullest power to pass legislation, if we have the fullest power to amend that legislation, then certainly the question as to the form of the Statutory Railway Board is a minor one. You will naturally then ask, what was the use of the Committee that met in London. The use of the Committee that met in London was to make suggestions on which the Statutory Railway Board should be established by this Legislature. As regards the suggestions made by the London Committee, I would say this, that the Members of this Legislature almost unanimously demanded that the Members of the Statutory Authority should be appointed by the Federal Government itself. I must say here that it is a matter of great congratulation to us that we were almost unanimous on that point. The second point in this connection is the authority to remove the Members of the Statutory Railway Authority. On this point I want to say a word of personal explanation. On this point, I have not written a minute of dissent, and the reason is this, that I felt that, in a matter of this kind, one must be always ready to make a compromise. I felt that, if Government would accept the proposal made by the Members of the Legislature, namely, that all the Members should be appointed by the Federal Government, then, I, for one, would make the compromise and be ready to give the power of removing the Members of the Railway Authority in the hands of the Governor General. Unfortunately from the memorandum of the Secretary of State, it is clear that the Government are not willing to accept the recommendation made unanimously by the Members of the

Legislature, that the Members of the Railway Authority should be appointed by the Federal Government. If Government are not willing to accept that recommendation, I am free now definitely to say that the power of removing the Members of the Railway Authority should also be in the hands of the Federal Government. Mr. President, this power is absolutely necessary to be put in the hands of the Federal Government, and the reason is this. Who is ultimately responsible for the good or for the ill of the Indian railways in this country? This report makes it quite clear that if there are losses on account of the working of the Indian railways, then those losses will have to be made good by the Indian people and by the Indian Legislature. Supposing that the Railway Authority, which we establish, make losses for one year or for two years, the Federal Minister asks the Railway Authority to make certain changes in their administration and the Railway Authority refuse to do that and continue incurring losses, is any body going to maintain that when the Railway Authority refuse to make changes as suggested by the Federal Minister and on account of their refusal to make changes in their administration, they incur losses, the Legislature should be asked to pay for those losses? Therefore, anybody who thinks over this matter will agree that if the Legislature is to be responsible for voting the money to meet the losses to be incurred by the railways of India, then the power of removing that authority must remain also with the representatives of the Legislature. (Hear, hear.)

There are some other points in connection with which my Honourable friend, Mr. Neogy, asked me a few questions. I do not think I need give him replies to all the questions, but he asked a question as regards the authority of the Auditor General. I feel that the Auditor General will possess all the authority over the railway accounts which he possesses over other accounts. It is true that this report does not make everything clear, but, when we were drafting the report, we were not drafting a Statute, and when we said in the report that the accounts of the Railway Authority will be certified by the Auditor General, what we meant was that the Auditor General will possess over railway accounts the same authority which he possesses over other accounts.

There is one more point on which I should like to say a few words, and that point is this. We are all generally agreed that there should be an organisation for the management of our Indian railways, but the question is, what sort of organisation it should be. My own view is that that organisation should be so composed that all the important interests will be represented on that organisation. (Hear, hear.) It is true that the report mentions the qualifications which the Members of the Railway Authority should possess, but it is not enough that these Members should possess those qualifications. What is necessary is that these Members, who will form the Railway Authority, should be so appointed that all the important interests in the country shall be represented on that Board. Take, for instance, the interest of agriculture which is one of the largest interests in the country, and that interest should be represented on that Board. Similarly, the interest of the railway employees should be represented. Take the composition of the London Transport Board which has been recently formed to manage the transport system in the City of London. We shall find that the Government of Great Britain have taken steps to put on that Authority a distinguished Member belonging to the Trade Union movement. I, therefore, feel that, when this Statutory Board is constituted, we must see that that Board represents all the important interests in the country. Secondly, I feel that if the Board is to be a small

[Mr. N. M. Joshi.]

one as is recommended, that Board should consist of whole-time people. If the Board is to supervise the working of a large railway system, the Board must meet from day to day; otherwise the appointment of this Railway Authority, instead of doing any good, may do harm, and our railway administration may be neglected.

Sir, let us remember that whatever may be our intentions in creating the Railway Authority,—and I feel that our intentions are quite good and we all feel that by the appointment of a Railway Authority there will be better supervision on the railways,—sometimes our intentions are not given effect to. The other day I mentioned the establishment of the Central Advisory Board and the Honourable Member in charge of the Department of Railways stated, and he was very proud to state to the House, that that Board met twice in a year. I do not know how many hours of work they did during those two days. Sir, if this Statutory Authority is going to meet twice or three times a year, let us know that now, because, if the Statutory Authority does not meet regularly throughout the year, it is much better that we should preserve our present system and discuss railway matters for at least a week. That will give us better results, because we discuss the railways now for at least a week; but if the Statutory Railway Authority is not going to sit in continuous session in discussing railway administration, it is much better that that Authority should not be established. I, therefore, feel that we should make it absolutely clear that the Members of the Statutory Railway Authority should be whole-time public servants and must be willing to give all their time for the railway management, and for nothing else.

Sir, I do not wish to take any more time. I feel that on the whole the House will serve the interests of the country by voting for the motion of my friend, Mr. Neogy.

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

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. President (The Honourable Sir Shanmukham Chetty) in the Chair.

Mr. President (The Honourable Sir Shanmukham Chetty): The Chair would remind the House that this debate must conclude at 3-15 as originally arranged, and the Chair proposes to call upon the Honourable the Commerce Member to give his reply at 3 o'clock. Honourable Members will keep that in mind when they are speaking.

Mr. C. S. Ranga Iyer: Sir, I must say I am in a very happy mood, especially after the progress of the debate in the direction in which it has progressed. I am very much in trouble owing to a toothache, and I wish I had the same energy as in 1932, when I opened the debate on this particular question: then I could have spoken in louder voice, but fortunately the occasion has not arisen for raising the voice. On the contrary, I should lower my voice, if possible make it as low as the voice of the Leader of the Opposition who gave us a very wise lead, worthy of the career of responsibility that he has behind him. He did not say "Reject the Railway

Board''. On the contrary, he said "Accept it''. That is also the attitude that my friend, the Leader of the Democratic Party, has taken up. He was a doubter, rather a frivolous doubter, in 1932, and he said, while replying to me on this identical motion:

"I do not mind telling the House that my attitude towards its proceedings for some time has been one of amused indifference and for very good reasons. . . . It is quite evident that the people outside this House do not take us seriously."

That was in 1932, and the very fact that, from an attitude of amused indifference, he has risen to one of constant vigilance, and, from an attitude of not taking us seriously, he has taken us more seriously than we expected him to take, I can say that the cause which I supported on that occasion has the support today of the Leader of a greatly radical party in this House, the Democratic Party, namely, the setting up of a Railway Board. On that point, it is a matter, for us, of supreme satisfaction that the House has spoken with one voice and one mind. We want a Statutory Railway Board; the dispute is as to what form the Statutory Railway Board should take; what powers this House or the Statutory Railway Board should have or should not have. I can understand also the doubts as to whether this House should legislate in the matter or the British Parliament. I was asked by my friend, the Secretary, probably now of the Democratic Party, Mr. Gaya Prasad Singh (Laughter): "Why is it that you did not make it quite clear in your report that it should not be Parliamentary legislation?" Diwan Bahadur Ramaswami Mudaliar has conclusively answered him why. He said "the limitations under which we worked''. He also said how by one member on behalf of the rest of them the matter was prominently placed on the very first day before the Secretary of State, and I would leave it at that at present. When the Committee had another Committee over it, it was only a sub-committee so to say—an expert Committee of the Joint Select Committee; and when we were asked to work within certain limits, surely we cannot be blamed if we did not put in a note of dissent: it was not within our province to put that note of dissent . . .

Mr. B. Das: It was not within your power to add any note of dissent.

Mr. C. S. Ranga Iyer: I say, once it is ruled by the Chairman of a Committee, you have two alternatives left—either to perform what is known in this country as pedestrian politics (Laughter) or to bow to the Chairman's ruling and continue your work. We were not treating that Committee with indifferent amusement; we were rather serious-minded people, working with very serious-minded men; and in this connection I must give a rich tribute to Sir Samuel Hoare, the Secretary of State, who gave to us every facility necessary to form our conclusions and who gave to us, within the prescribed limits, the fullest opportunity for discussion and dispute (Applause), and nobody was more disputatious than Diwan Bahadur Ramaswami Mudaliar or Mr. Yamin Khan. Our Muslim friends fought much better than we Hindus: they were put in the forefront of our battle; it is they who performed all our work first; we were only the sappers and miners of the Muslim army in this Statutory Committee. (Laughter.) I must also here refer to the work that was done by the London experts. I must express my gratitude and the gratitude of every one of the Committee for all the support that they gave to us (Hear, hear), to clarify our position, to define our position, and even to write our notes of dissent. Mr. Joshi said that he has written the largest number of them. I am not good at arithmetic, but all of us have competed with him in the writing of marginal

[Mr. C. S. Ranga Iyer.]

notes; we do not call them notes of dissent—no—they are marginal notes. We wanted the Committee report to be unanimous, and it is unanimous on one fundamental point. That is the establishment of a Statutory Railway Board. (Hear, hear.) The scope of the Statutory Railway Board was very clearly put by me in my speech in 1932 on the floor of this House, and I am glad to say that is exactly the view that this Committee has also put in the preamble: I said:

“I do say even now that we must exercise a good deal of control in regard alike to policy and programmes of capital expenditure. The State Railways of India are really going to be controlled by the State; but they should not be run by politicians to subserve political interests. Politicians will always have axes of their own to grind. That is true not only of the Indian politicians; it is true of politicians all over the world. At least in politics, there is only one tribe—that of politicians; there is no caste or class division or distinction so far as politicians are concerned; and everywhere, wherever possible—it is not possible in England because they are private-owned railways, and private-managed railways—but it has been possible in colonies, it has been possible in other countries;—political interference has practically brought railways to something in the nature of a financial chaos.”

The central pivot on which this Committee places its report is this, that there can be and there shall be no political interference whatever. It is not a new view, so far as I am concerned. I said in my speech on that occasion—the 1932 debate on my token cut,—that the Railway Administration of the future “must no longer be the playground of the politicians”. That one definite point has been gained today, because no one, who has spoken so far, not even my friend, Raja Bahadur Krishnamachariar, has taken exception to the fact that in the days when politics are going to have supremacy in this country, the politician must be definitely put within his limits and never permitted to put his hand into the financial administration of the railways of this country, in other words, he must not play ducks and drakes with the finances of our country. That is the whole position in regard to the Railway Board, and that is a position, Sir, which, I am glad, has the unanimous sympathy of this House.

Then, the question arises—shall it be Indian legislation or shall it be British legislation? On that point we have explicitly stated in England in private, as it was beyond our scope as members of a Committee, that it should be Indian legislation. I believe, and I hope that the Government of India with an Indian Member in charge of the Railways will at any rate stand up for the Opposition view and insist that this House wants Indian legislation in the matter. It may be asked—why should you not leave it, as suggested by Sir Tej Bahadur Sapru, to your successor, the Federal Government? Or do you want yourself to have the right of passing this Legislation? In the first place, I prefer the devil I know to the devil that I do not know, and secondly I will trust no future, however pleasant. I am certain I am speaking for everybody in this House, when I say, we would like to act in the living present, we would like to have an opportunity of examining the recommendations of the London Committee, to scrutinise it in committee ourselves. (Hear, hear.) And, after all, our recommendations are not unalterable like the laws of the Medes and Persians; our recommendations can be turned down in committee. We ourselves are not committed to these recommendations as though we cannot alter them. In fact, Sir, when I approached, and when my colleagues approached, in committee this question, we approached it with the apprehension that the legislation is going to be British Parliamentary legislation, and approaching it as we did with that suspicion we had to riddle it with our own opinions. As a matter of fact, when the choice was given to us on the last day to reopen

the question on the ground whether it should be Indian or British legislation, we preferred to leave that question out as on the first day we could not decide it. Having come to our decisions, we were not willing to reopen the pact which we entered into with other communities, and we were not willing to go back or to revise our opinions. It was too late; most of us were home sick; we wanted to come away, and, therefore, Sir, we left our work where it was and in the form in which it is placed before this House. Not even Mr. Neogy, who ably and very very cautiously, I would say dexterously, almost intolerantly, if he could be intolerant on an occasion like this, had viewed our recommendations in a proper spirit. He approached it with a good deal of suspicion, but, having gone through them, he spoke like a statesman, he spoke with generosity, he spoke with tolerance, he approved of our recommendations. That, I consider, is the greatest compliment that I can give to Mr. Neogy himself. He began as a doubter, he ended as a believer. Who never doubted, never believed. He began with doubts, he concluded with certainties. All that we are now concerned with is the formulation of a formula, a common agreement, because nobody wants to divide this House; everybody wants a Statutory Railway Board; everybody also wants that it should be run on business lines.

Then, the question that arises is this: can this Assembly lose some of its powers? Have not Honourable gentlemen, who went abroad, agreed to divest this Assembly of some of its powers, to divorce it of some of its responsibilities? No, Sir. We were very chary about that view. As a matter of fact, what is the responsibility and what is the power of this House? You do not have a responsible Minister. Do you have? I know Sir Joseph Bhore is as sweet as a siren (Laughter), and, therefore, his siren songs have made us think that he is acting like a Minister. It redounds to his glory, in spite of the Constitution, for, briefly, from a constitutional point of view, Sir Joseph Bhore is a railway autocrat, he is a commerce autocrat, responsible, so far as this House is concerned to nobody not even to the Leader of the House, for his responsibility is to the Governor General in Council, and the Leader of the House might differ from him in that Council. Sir, the responsibility of that Council and the Governor General is to Whitehall. Therefore, as at present constituted, this House has not got the scrap of a Constitutional Authority in regard to the administration of the railways. And what is the authority that we are getting for a future House? That authority is nothing more and nothing less than this. We are securing for a future House a responsible Railway Minister, and, even under Sir Samuel Hoare's recommendations, the Railway Minister cannot be left in the wilderness in regard to the constitution of the Railway Board. He has got a majority of the representatives in that Railway Board. (Hear, hear.) I myself, Mr. Joshi and Mr. Yamin Khan, who took such an intelligent and active part in that Committee and others, all of them, who were so devoted in getting for their country all that they could get, every one of them saw to it, every one of them recommended that this Railway Board must be constituted in all its completeness by the Minister responsible to the House. Their recommendation was simply that. It is understood as taking away some of the existing powers, namely, the exercise of the right of moving a token cut and the right to withdraw it with the consent of the House! That is the power which we have actually exercised so far in this House in this particular debate on this particular occasion! All of us have unanimously exercised that right. We will not have it. On the contrary, you will have the right of having your own Railway Minister who will be dismissed if you censure him, if you censure his policy which he recommends to the new Railway Authority . . .

Mr. Gaya Prasad Singh (Muzaffarpur *cum* Champaran : Non-Muham-madan): We shall have no control over the administration of the railways.

Mr. C. S. Ranga Iyer: My friend over there whispers loudly enough and says we shall have no control over the administration of the railways.

Mr. Gaya Prasad Singh: The Minister shall have no control.

Mr. C. S. Ranga Iyer: If my friend reads the report, he will find that the "*Federal Minister responsible for transport and communications may at any time convene a special meeting of the Railway Authority for the purpose of discussing matters of policy and questions of public interest . .*"

Mr. Gaya Prasad Singh: He will have no right of vote.

Mr. C. S. Ranga Iyer: And, now, coming to votes at such meetings, "*the Federal Minister will preside, and the Federal Minister may by order require or authorise the Railway Authority to give effect to the decisions of the Federal Government.*" We get a Government which is going to be responsible to this House on matters of policy, and it shall be obligatory on the Railway Authority to give effect to such decisions of the Legislature. That is the position that we have achieved. Do you want the right of standing up on the floor of this House and moving some 40 token cuts, or do you want power? I put it to my friend, Mr. Gaya Prasad Singh, I put it to Mr. Neogy, I put it to every one who has doubts on this matter. I want power. That power, Sir, we are getting. The Railway Minister will be responsible to this House, and the Railway Authority will be responsible to the Railway Minister. We say that he should constitute that authority. The Secretary of State says "I give him a majority". Well, Sir, if the records and the confidential documents of the Government of India were to be placed on the table of this House, probably even this might have been a matter of dispute, between the Government here and the Government there. I may say with my knowledge of what I saw in England of the campaign that is carried on against the Secretary of State,—I may say that one of the most important things on which they are fighting him is that there should be completest railway control in the hands of Whitehall itself. I know that many gatherings have been proclaiming from the housetops that they should not "surrender" the power of finance to the Indian people. They are asking for Sir Samuel Hoare's head on a charger. Therefore, I say, much credit is due to Sir Samuel Hoare for having gone so far as he has gone (Cheers), and I am glad that even Mr. Gaya Prasad is generously joining others in applauding the Secretary of State. (Laughter.) That is some consolation. I do not want to say—even though I have fought Whitehall as I have fought, and this report will bear witness to that fact, speaking for the team, no one in this House could have fought better and no one in this House could have fought more persistently, as Mr. Joshi bore testimony in one of his public declarations before going back to England—I am not here to say what I did or what I failed to do, I am here to face the music. We have fought. We may have failed in certain respects; we have prevailed in certain other respects. We fought because we feared that it was going to be British parliamentary legislation. Our fight would have been less harsh, it would have been less severe if the Secretary of State had told us that it would be Indian legislation. I said at the Committee straightaway, that we

would make generous concessions right from the beginning if we knew it was going to be Indian legislation. As it was going to be British legislation, we had to approach this question with suspicion and so have we approached it. If it is going to be Indian legislation, I predict, many alterations can be made without attacking one or two fundamentals, and if we attack those fundamentals, we may modify them without destroying their essentials. If it is to be Indian legislation, our scheme can be revised by Mr. S. C. Mitra and by Mr. K. C. Neogy with all the ability that they possess and all the patriotism that they undoubtedly have. It can equally well be revised by Mr. James and Mr. Yamin Khan with all the caution that they exercise—Mr. James from the British Parliament's point of view and Mr. Yamin Khan from the Muslim point of view, and Sir Muhammad Yakub, Mr. Padshah and Dr. Ziauddin have also been supporters of that Muslim point of view to which we Hindu Members have agreed.

Mr. S. G. Jog (Berar Representative): You will look at it from the Nationalist's point of view.

Mr. O. S. Ranga Iyer: And the best way to look at it from the Nationalist point of view is to make agreements where agreements are necessary and not to deprive the minorities if the minorities insist upon their rights. Sir, to these things we are willing to adhere, but this House must—I do not want to go into further details—this House must unanimously agree that a Statutory Railway Board should be set up by the Indian Legislature as you have put in your formula. Whatever formula may be placed before this House, I may say that we will no longer be doubters of the necessity for a Statutory Railway Board. I do not mind the severe criticism that my Honourable friend, Mr. Jagan Nath Aggarwal, levelled, together with others, against me two years ago. All those criticisms we have borne in mind. We have incorporated them in our report and now I hope he will not stand upon Achilles' tomb and doubt Troy. Rome can no longer be doubted either, much less the necessity for a Statutory Railway Board. (Applause.)

Sir Cowasji Jehangir: I hope I shall not be considered audacious if I congratulate my Honourable friend, the Raja Bahadur, for the very eloquent speech he made this morning. I am sure that all the Indian members of the London Committee—I was not one of them—regret that he was not in London and refused the invitation, I understand, that was extended to him by Government to go to London. Those who were in England at that time regret that they did not have the genial company of my Honourable friend. But what was the loss of those in England has been our gain today, because I am sure that, if my Honourable friend had been in London, he would not have made the speech that he made this morning, and the speech is the only compensation that those who went to London have on account of his absence.

My Honourable friend raised some rather pertinent issues with regard to a Statutory Railway Board. He first blamed my friends who were members of the Committee for not having embodied in their notes of dissent a paragraph to the effect that legislation should be made by this House. But we have heard the explanation from the lips of more than one Honourable Member that such an issue was ruled out of order. Then my Honourable friend talked of conflict of opinion that is bound to

[Sir Cowasji Jehangir.]

arise between the Government and the Statutory Railway Board. I believe what he meant was the conflict of opinion that may arise between the Statutory Board and the executive. That is always likely. It is very likely that the executive may try to get more powers than the law gives them, and it is stated that even in England the executive try to get more and more powers than the Mother of Parliaments ever gave them, through rules and regulations, and that point has been most carefully and lucidly brought to the attention of the public in England by no less a person than the Chief Justice of England. But, so far as I understand these recommendations, brief as they are, it is not intended that the executive shall be the masters of the situation. The intention is that the Statutory Board shall be the masters and the executive shall be the servants, and I can only point again to paragraph 4 which clearly states that "the Railway Authority will be responsible for the proper maintenance and efficient operation of the railways vested in them for the purpose of administration". It is the Railway Authority that is responsible, and if the executive do go wrong, the responsibility is not that of the executive, but of the Railway Authority. If the Railway Authority is weak and allows the executive to become masters, then it is open to this House to pass such Resolutions or to express such opinions as it thinks fit and to insist that the personnel of the Railway Authority shall be changed.

Mr. President, my Honourable friend then talked about the control which the Board will have over the executive. That is again the same question. If my Honourable friend, the Raja Bahadur, will allow his servants to get the better of him, he cannot complain that the servants dictate. It is his own fault. If this Railway Authority is going to allow the executive to do as they like, it will be the fault of the Authority and not of the executive. So far as I can see, Mr. President, due to these objections, my Honourable friend, the Raja Bahadur, turned down the suggestion of a Statutory Railway Board.

Raja Bahadur G. Krishnamachariar: I said these conditions must be regulated with a proper set of rules. You must have a Statutory Board; I had no objection.

Sir Cowasji Jehangir: I am very glad to hear it. If he had only said this at the beginning, I would not have made my remarks at all.

I will just come to another important point which I might have referred to in the beginning. We have been told by our friends here that they, while on the London Committee, were always in favour of legislation in this House. We are all agreed and I myself see no great difficulty, even from the point of view of the Government, in allowing this House to legislate. There were two Committees which functioned in London. One was the Reserve Bank Committee and the other was the Railway Committee. With regard to the Reserve Bank Committee, a Bill has already been passed by this House. It was a Bill brought before this House based upon the report of a Committee that sat in London. The House was given a free hand. It is always in the power of the Government to veto any Bill which this House may pass which, they do not think, is in the interests of the country. Why should not the same practice be followed with regard to the Statutory Railway Board? Why should not my Honourable friend sitting opposite bring in a Bill, based

upon this report, for the consideration of this House? Why should he not allow that Bill, which will follow the recommendations of this Committee, to be subjected to scrutiny by a Select Committee of this House, and then, if the result is that this House turns down any fundamental principle, which Government think is absolutely in the interests of this country, the Honourable the Front Benchers here and their master in London have the power to veto that Bill. I do not see the great difficulty. Time may be against them, but after all, although this House may be dissolved, another House must take its place before the Federation comes into existence. If not this House, let its successor, after the next election, have the chance of going into the whole question of a Statutory Board on a Bill framed by Government, if they choose, embodying the principles that have been laid down in this report. From all points of view, looking at it even from the Government's point of view, I do not see where the danger comes in. From our point of view, we certainly insist. From the Government's point of view, if they could do it on an important question like the Reserve Bank, why should they not do it with regard to a question like the formation of a Statutory Railway Board, and then they can wait if they choose, before putting that Bill into operation until the Federation begins to function.

Now, there is one important point with which I do not agree in this report. My Honourable friends, who were members of the London Committee, stipulated that all the Members of the Statutory Board should be appointed by the Federal Government, and their agreement to the rest of the report, I believe, was based on the understanding that their recommendation would be accepted. If the Federal Government is to appoint the Board, why should the Governor General have the power of dismissal? It is a well known principle that the authority that appoints is the authority to dismiss.

Mr. N. M. Joshi: We do not insist on that.

Sir Cowasji Jehangir: I do. The Chairman is appointed by the Governor General. Let him dismiss the Chairman, but the authority that appoints must be the authority that dismisses. That is a fundamental principle that is followed by all Governments and in all legislation. I do not see why we should vary it in this case. Even according to the suggestion made by Government themselves, if the Governor General is to appoint three, let him have the power of dismissing those three. If the Federal Government appoint four, it is the Federal Government that must dismiss them. It was a principle enunciated in the Reserve Bank Bill. It is the principle enunciated in all legislation. I think the suggestion that appointments made by the Federal Government should be upset by the Governor General merely after consulting, not on the advice of, the Federal Government is a wrong principle.

Now, Sir, Mr. Neogy pointed out certain words in paragraph 5. He said "who was to decide whether the Railway Board was running the railways on business principle"? Who else but the Federal Government and this Honourable House? It is the Federal Government and this Honourable House that lays down the policy for the Railway Authority and for the executive, and, surely, whether the railways are run on business lines or not is a question of policy. How such a misunderstanding could take place is beyond me. It is this House that has got to see with the Federal Government that the railways are run on business principles.

[Sir Cowasji Jehangir.]

I do not wish to take up any more time. There is only one important issue that was raised and that was, how this House is going to express its opinions on questions of principle? The Budget is not going to come before this House for purposes of voting. It will be merely for consideration. There are no details given in the sketch. The sketch is not supposed to give details. I presume that we shall have a general discussion on the Budget as there is now. What do we do at present? We have a discussion and, so far as my experience of this House goes, I believe that general discussion is continued for the rest of the debate. Every cut is a general discussion. You may cut down the demand by Rs. 100, but that is a general discussion, and, therefore, if you have your general discussion and then if you are given the power to pass Resolutions or to express your opinion by some other method, you have got all the control that you have at present. We are to delegate our powers of critical examination of the Budget to the Statutory Board. We are to do that of our own free will, and if we only visualize, what the House is going to be like after the Federation with 400 or 500 Members, surely it is better that the Budget should be critically examined in all its details by a body like the Statutory Board that will become more and more useful in times to come as it gains experience. Today, with a smaller House, with many Honourable Members absent and benches empty, you have a better chance of examining the Budget critically. If we do not do so, it is not because we are not able to do so, but because the machinery never intended that we should do so, and, therefore, the suggestion that the Budget should be critically examined by an expert body of non-officials is a suggestion that should commend itself to this Honourable House, and this Honourable House should be willing to delegate those powers to a non-official body, keeping in its own hands the power of laying down the policy through Resolutions, as I believe it is intended that this House should be allowed to do.

Sir, we were next told that this power of the purse, as it is called, is a great power. Yes, it is a great power, provided the Benches opposite will vacate their seats if we make a radical change in the Budget. At present, it is no power at all. You cut Rs. 100,—and my Honourable friends sit where they are smiling as they usually do and as they will continue to smile for years to come. It is no power at all, it is an eye-wash.

An Honourable Member: We are thinking of the future.

Sir Cowasji Jehangir: In the future, what will happen when you make a substantial cut? The opposite Benches will say: "We go, we are not going to take the responsibility for this cut, you come and take our places." That is going to be the position in the future. I would ask my Honourable friends—with regard to railways, will that be an advantageous position to be in? I suggest, I most respectfully suggest to this Honourable House and to all the critics in India of the work of this Honourable and humble Assembly, that that would be a wrong step to take in the immediate future.

Mr. F. E. James: Why should it be humble?

Sir Cowasji Jehangir: Because my Honourable friend helps to make us humble (Hear, hear) on many occasions, because he and his friends have often helped to make us what we are. (Hear, hear and Laughter.) Sir,

while digressing on this subject, I do not exonerate ourselves. Sometimes we also are guilty, but certainly not as often as my Honourable friend and his friends. (Hear, hear.) Now the time is up and I must conclude.

Mr. C. S. Ranga Iyer: May I just remind my Honourable friend of the famous Biblical saying—"Blessed are the humble, for they shall inherit the earth". (Hear, hear.)

Sir Cowasji Jehangir: Well, Sir, I will now conclude by saying that I hope the Government will see the wisdom of following the example they themselves have set with regard to the Reserve Bank by bringing in a Bill at a very early date to make it dead certain that there will be a Statutory Board as soon as the Federation begins to function. (Applause.)

The Honourable Sir Joseph Bhoré (Member for Commerce and Railways): Sir, I would like to make it clear at the outset that we do not propose

to enter into a discussion of the merits of the proposal which has occupied the time of the House on these two days. The proposal to establish a Statutory Railway Authority has occupied the attention of those interested in Indian railway matters for a very considerable time. We know, when the proposal was first made, how it was greeted. It was regarded as yet another method of whittling down the proposed reforms and circumscribing the powers of a responsible Government of India. Once misapprehensions have started on their course, it is a matter of no little difficulty to overtake and to dissipate them, but I venture to think that, though there may still be criticism, there is now no ground for anyone to doubt the good faith of the Government or the genuineness of their claim that they have been actuated by consideration for the interests of the railways of India. I would suggest that the association of representatives of this House in the discussions in London was happily conceived. It helped to dissipate incorrect ideas which had taken root and which were fairly widespread as to the intentions of Government, and I think the atmosphere in which those discussions were carried on ensured their consideration on their merits. I think there will be few dissentients from the view that the report that we have before us is going to assist substantially in the solution of our difficulties when we come to face the practical problem of legislation. I think that the spirit which animated the members of the Committee in London is sufficiently shown by the very large measure of agreement which has been reached even on points of a controversial nature. In fact, as far as I can remember, there is only one point of real substance in respect of which the Indian members as a whole differed from their European colleagues on the Committee, namely, the question of appointments to the Statutory Railway Authority, the former, that is, the Indian members holding that all the members should be appointed by the Governor General on the advice of the Federal Government, the latter holding that only the majority should be so appointed and that the minority should be appointed by the Governor General in his discretion. There were, of course, other minor points of difference, but I think they were none of them so important as to disturb the general unanimity which pervades the Report. Diwan Bahadur Ramaswami Mudaliar asked me whether we could state whether the Secretary of State was going to stand by these proposals. I have no doubt whatsoever that the Government will generally stand by the main outlines of the sketch proposals, but at this stage all I want to say is that this debate will be forwarded to the Secretary of State,

[Sir Joseph Bhole.]

and I have his authority for saying that the views expressed on the floor of this House will receive the most careful consideration before final conclusions are reached. In regard also to the important question of legislation which will be necessary in order to give validity to conclusions which will finally be reached in regard to the Statutory Railway Authority, I am equally to say that the views expressed in this House will be conveyed to the Secretary of State and they also will receive most careful and serious consideration.

Mr. C. S. Ranga Iyer: May I here ask the Honourable the Railway Member whether the Government of India will be prepared or his Department will be prepared to back the view generally expressed that the legislation should be Indian legislation?

The Honourable Sir Joseph Bhole: My Honourable friend must wait and see. (Hear, hear.)

I have said that I was not in a position to make any statement in regard to this question of legislation for the simple reason that no decision has yet been taken. A decision is being postponed so that the views of this House may be placed before His Majesty's Government before a final conclusion is arrived at.

Now, Sir, turning to the actual cut with which we are dealing, I would say that this cut is really not a censure motion. The intention of a censure motion, I take it, is to blame Government for doing something which they ought not to have done or for abstaining from doing something which they ought to have done. In this particular case, all we are doing is that we are coming before the House to say that we have arrived at no definite conclusion, but that its views will be placed before the authorities concerned and every consideration will be given to these views before a decision is taken. I think that in those circumstances the most appropriate course would be for my Honourable friend, the Mover, to withdraw his motion and I ask him to do so.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur ~~and~~ Orissa: Muhammadan): May I know, Sir, what is the view of the Government in connection with the two Muhammadans on the Statutory Railway Board? In patience, he will come to know later on.

The Honourable Sir Joseph Bhole: That also, if he will possess his soul

Mr. Gaya Prasad Singh: Sir, I am glad that the motion which I moved has resulted in a full-dress debate on this very important question. Honourable Members who proceeded to London as members of the Committee as well as those who were here have expressed their views in the fullest possible manner. This debate has been very interesting and instructive, and I am glad that my Honourable friend, Sir Joseph Bhole, has kindly promised to forward this debate to the Secretary of State for India. We also note his assurance that the Government have not come to any definite conclusion with regard to the points mentioned in the London Committee's report. Under these circumstances, . . .

[At this stage, the Members of the Democratic Party began to consult each other as to whether the motion should be withdrawn or not.]

Mr. President (The Honourable Sir Shanmukham Chetty): Order, order. The Honourable Member is evidently feeling some difficulty. The real difficulty with which the House is faced today is this that a cut motion is not really the means by which an authoritative expression of opinion can be ascertained by the means of a vote of this House. It is to be done by an independent motion. So, if this motion is pressed to a division, and since a cut motion is always considered to be a censure motion, the Government and certain other Honourable Members will be bound to oppose it though the Honourable the Commerce Member has made it perfectly plain that it is the intention of His Majesty's Secretary of State for India to place the views of this House as expressed in today's debate before His Majesty's Government before any final decision is arrived at. The Chair has been told that the object of the sponsors of this motion and the object of the Independent Party, the Democratic Party, the Nationalist Party and the Centre Party is that they desire to convey by this motion their opinion that the Constitution Act should merely contain a clause requiring the establishment of a Statutory Railway Authority, and that its constitution, functions and powers shall be subject to legislation, initial as well as amending, in the Indian Central Legislature. (Applause.) This will go on record and will be available for His Majesty's Secretary of State for India.

Mr. Gaya Prasad Singh: Now that the result of the mutual agreement has been so clearly placed before the House by yourself, I find my course very clear. It is not necessary for me to enter at length and reply to all the controversial points raised by several Members in this House on the merits of the motion itself. Even my Honourable friend, Mr. Ranga Iyer, speaking from that somewhat questionable neighbourhood (Laughter), is also quite at one with us in demanding that the authority which will bring into existence this Statutory Railway Authority will be this House or its successor, I mean the Central Legislature. Under these circumstances,

Mr. C. S. Ranga Iyer: I did not say "successor". I trust no future, however pleasant.

Mr. Gaya Prasad Singh: My Honourable friend says that he trusts no future. If he does not trust the future, why did he go to London to support the Railway Authority which will come into existence in the future? It is not, however, necessary for me to pursue this point any further. In view of the assurance given by the Honourable the Commerce Member that the Government have not made up their mind with regard to the question which is under discussion and that a copy of the debate will be forwarded to the Secretary of State for India, and as a result of the agreement mutually arrived at between the Parties, I crave the indulgence of the House to withdraw my motion.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadan): As a matter of constitutional propriety, may I suggest that this Resolution be formally moved and decided upon by this House, otherwise it would not be known whether all the sections of the House agreed upon it.

Mr. President (The Honourable Sir Shanmukham Chetty): Order, order: A Resolution or a motion cannot be moved except in accordance with the Standing Rules and Orders. The Chair has made the position very clear and it thinks it is clear.

Several Honourable Members: We accept it.

The cut motion was, by leave of the Assembly, withdrawn.

Mr. President (The Honourable Sir Shanmukham Chetty): The next motion is by the Nationalist Party.

Indianisation of the Railway Services.

Sir Hari Singh Gour: Sir, I move:

"That the demand under the head 'Railway Board' be reduced by Rs. 100."—
(Indianisation of the Railway Services).

Sir, the question of the Indianisation of the railway services has been engaging the attention of the Indian public for nearly half a century, if not more. In 1886, when the Public Service Commission was appointed, Indian public opinion expressed itself in unequivocal terms in favour of the Indianisation of the superior services in the Indian railways and in 1910 when the Islington Royal Commission came out to this country, the same question was pressed home by the Indian public. I find that, at page 344 of the report of the Islington Commission, 16 recommendations were formulated for the purpose of giving effect to progressive Indianisation of the railway services. At that time, as we find from paragraph 4 (page 338), the objective was limited and different, for the Royal Commissioners there write:

"We recognise that owing to consideration of policy it is necessary to maintain a nucleus of officers imported from Europe."

That was the objective in 1910. But in 1917, when the declaration was made as to the future policy of the Government of India, we find in the reply given by Mr. Edwin Montagu, since embodied as the preamble to the Government of India Act, the following words:

"Whereas it is the declared policy of Parliament to provide for the increasing association of Indians in every branch of Indian administration."

Commenting upon these words and upon the report of the Montagu-Chelmsford Committee that preceded it, the Lee Commission, in their report, at page 17, summarise the position as follows: They say:

"We do not propose to argue the case for Indianisation *de novo*. The question was among those remitted for consideration to the Islington Commission, and the various relevant considerations were fully discussed in their Report. Subsequent to the signature of that Report, and before orders were issued on its recommendations, the announcement of August, 1917, had entirely changed the constitutional outlook. In the words of the authors of the Report on Indian Constitutional Reforms, the success of the new policy 'must very largely depend on the extent to which it is found possible to introduce Indians into every branch of the administration'. Recognising that Indianisation must be a 'long and steady process', they recommended that recruitment of a largely increased proportion of Indians should be initiated without delay, if the Services 'are to be substantially Indian in personnel by the time that India is ripe for responsible government'."

On the next page, page 18, they say:

"In the days of the Islington Commission the question was 'how many Indians should be admitted into the Public Services?'; it has now become 'what is the minimum number of Englishmen which must still be recruited?'"

That was a new orientation of policy adumbrated by the preamble to the Government of India Act, 1919, to which reference is here made by the Lee Commission. We have, therefore, to see how far the promise given in the Act of 1919 and subsequently reiterated in this report of the Royal

Commission has been given effect to. The subsequent recommendation of the railway services is contained at page 23 of the Lee Commission report, where they say:

*"State Railway Engineers.—Superior Revenue Establishment, State Railways.—*We understand from the evidence placed before us that the present rate of recruitment (taking an average over the departments as a whole) has been designed with a view to securing, as soon as practicable, a cadre of which, out of every 100 officers, 50 shall have been recruited in India and 50 in Europe. The date at which this cadre may be reached is, we are informed, dependent on the provision of adequate training facilities in India. Measures with that end in view were advocated by the Islington Commission and we are informed that facilities have already been provided to a limited extent. We are strongly of opinion that the extension of the existing facilities should be pressed forward as expeditiously as possible in order that recruitment in India may be advanced as soon as practicable up to 75 per cent. of the total number of vacancies in the railway departments as a whole, the remaining 25 per cent. being recruited in England."

Now, Sir, I do not know how far the Government of India have carried out the recommendation of the Lee Commission.

[At this stage, Mr. President (The Honourable Sir Shanmukham Chetty) vacated the Chair which was then occupied by Mr. Deputy President (Mr. Abdul Matin Chaudhury).]

But what I do now is that, judging from the classified list of State railways establishment published in 1933, I only find the name of an Indian here and there and in all the superior services of the State railways there hardly occurs any Indian name to justify the assumption that was made in 1919 and 1924 that, with the progressive realisation of responsible Government in this country, there would be a steady Indianisation of all services in the higher appointments. This question has not been raised in this House today for the first time. Ever since the reformed Legislative Assembly took office, this question has been brought forward again and again to the notice of the occupants of the Treasury Benches, and what has been their reply? Their reply has invariably been that "We are training up Indians to take responsible posts in the State Railways and that a beginning can only be made from the bottom, and as trained Indians are not available for filling up responsible offices in the higher grades, it would be a matter of time before the Indianisation demanded by the public and promised by the Parliamentary Statute would be effected". I admit, Sir, that under the pressure of the Assembly or it may be under the pressure of the Parliamentary Statute, the Government have established a college here for the training of Indians in the higher grades of the railway services.

Lieut.-Colonel Sir Henry Gidney: That college has been closed down.

Sir Hari Singh Gour: My Honourable friend says that the college has since been closed down. That is Indianisation in progress.

What I should like to know is this. What we really want is a scheme of progressive Indianisation, not merely a scheme which depends upon the steady flow of Indians from the lower ranks to the higher ranks, but a steady recruitment of Indians and their association in all grades of public services. There are various departments of State railways which do not call for any technical knowledge which is not possessed by Indians. Take, for example, the Stores Department, the Engineering Department. The Indians have made very competent Engineers in the public services and I have not the slightest doubt that they would make equally competent Engineers in the railway services. Then we have the Traffic Department

[Sir Hari Singh Gour.]

and other Departments mentioned in this book from which it would be clear that the Indianisation of the State railways need not necessarily depend upon the out-turn from the Indian colleges even if they existed. Therefore, I submit that Government have not really implemented their promise of Indianising all grades of the Indian State railway services and my best vindication in support of my argument is the book published by the Government themselves. I should, therefore, ask this House to carry this motion and further to demand of the Government an annual statement showing the progress of Indianisation in all grades of railway services. That, I submit, is the least that the House can demand (Hear, hear), and I am perfectly certain that the Honourable the Commerce Member should have no objection to preparing and laying on the table of the House a statement of the progressive Indianisation of the railway services in this country. Sir, I move.

Mr. Deputy President (Mr. Abdul Matin Chaudhury): Cut motion moved:

"That the demand under head 'Railway Board' be reduced by Rs. 100."

Sirdar Harbans Singh Brar (East Punjab: Sikh): Sir, there is no doubt that the general sympathy of all in this House is with the Leader of the Nationalist Party that Indianisation should proceed at a much more accelerated speed than at present. It is the desire and wish of all of us that our own countrymen should take a more and more active part in the administration of this country in all its spheres and we claim that as of right and not as a matter of grace only. That that is our right is admitted even by the Government in Great Britain, and not long ago, even the present Prime Minister, Mr. Macdonald, admitted that to appoint anybody in an office for which an Indian is fitted is most unfair and injurious to Indian interests. But this motion, coming as it does on the Railway Budget, does not appear to be as appropriate as it may be on the General Budget. I cannot imagine more Indianisation than at present exists from top to bottom. It is our good fortune that during the lifetime of this Legislature, which is considering the present cut, the Member in charge of the Railway Department, who was appointed two years ago, is our own countryman. The next position, that of the Financial Commissioner, formerly held by a European, thanks to Sir George Schuster, is now held by our own countryman, Mr. P. R. Rau. Indianisation is being accelerated day by day. We find that in the new appointments every year no less than 75 per cent. of the appointments offered are always for Indians. That is a very satisfactory state of affairs, situated as we are at present, and I think our thanks are due to the Government, both here and in England, that such high positions which control the patronage and power in the lower grades of administration are held by Indians. But too much of this Indianisation appears to be another name for urbanisation as we see it.

A good many or most of the jobs which are said to go to Indians go to the urban interests which are microscopic considering the vastness of the country. The rural people not being resident in the cities, but being in the rural areas, neither get enough information nor enough support from the administrative offices regarding vacancies or appointments; and they who in justice are entitled to a greater and greater share in the services are

being ignored for no fault of the high officials but for the system. To begin with, education only came in the urban areas, and all the office staff like Superintendents and others got the appointments, because they were living in the areas in which the offices existed, and they, out of natural sympathy for their own kinsmen and for their own relations, always helped their own kith and kin living in urban areas. I only desire that Government should at this time give more and more share to the educated classes like engineers and others who have spent vast sums of money in England and in other countries to acquire technical education and they should be provided opportunities to develop their own education and their own experience and give it to the service of their motherland. I know that a very large number of people trained in foreign countries in engineering and traffic and other branches of railway administration, who belong to the rural areas, are sitting idle for want of any openings. I, therefore, think that the Honourable the Railway Member and the Financial Commissioner of Railways should give their sympathetic consideration to the claims of the rural interests so that they might be given a larger and larger share in the administration of the different branches of the railways.

I said, to begin with, that I feel happy that the pace of Indianisation in the higher places has proceeded very satisfactorily as we find in the person of the Railway Member and the Financial Commissioner; and other appointments like the Agent of the Eastern Bengal Railway, the Director of Administration, the Deputy Director of Administration, the Director of Finance and many other high appointments in the Railway Board and below it are being held by our own distinguished countrymen, and we should thank the Government and the Secretary of State for having done all this in such a short time and at such a good speed.

Lieut.-Colonel Sir Henry Gidney: Sir, I rise to support the motion before the House, but I do so with a provision. If this motion is meant to be a censure on Government, I think it is hardly called for. If it is a motion that is intended to keep Government wide awake and to stimulate them to further Indianisation, it has my entire support and I think the intention of my Honourable friend, Sir Hari Singh Gour, is this and, if so, may I tell him, I support him. Sir Hari Singh Gour rightly says that there are very few Indians in the higher spheres of railway administration. I know one who holds a very exalted position and who is a very able administrator, I refer to Mr. Singh, the Agent of the Eastern Bengal Railway, whom I do hope we shall soon see occupying a portfolio in Government as a Member of the Railway Board. I know another Indian who was the Chief Controller of Stores in the North Western Railway and who is now a budding Member of the Railway Board, either Statutory or otherwise. I also know a number of other Indians who are holding good appointments, but it is surely asking far too much indeed, it is not fair to expect—may I quote a simile—to promote a private to a General unless he goes through a careful training and stage by stage promotion. And considering that this demand for Indianisation in this House has not been of long duration, about 15 years

Sir Hari Singh Gour: Fifty years.

Lieut.-Colonel Sir Henry Gidney: The seed may have been sown 50 years ago, but I think we may take it that it starts from 1921 when it became very acute. I repeat, considering that this demand has been pressed on the attention of this House for about 14 or 15

[Lieut.-Colonel Sir Henry Gidney.]

years, the figures given by the Honourable Member in his Budget speech are very enlightening and satisfying. I do think that the Railway Board is endeavouring its utmost to supply our demand for Indianising the services. Indeed one has only to scan the list of new officers and of those who pass competitive Railway examinations in India to realise that almost 98 per cent. of the passes in this country are Indians. I would add, I think it is a rare thing for the Secretary of State or the High Commissioner for India to appoint any officer from England for Indian railways except it be for some specialistic appointment. Holding this view, I do think, the Railway Board is faithfully carrying out the duty so clearly enunciated by Sir George Rainy when he gave this House in 1929 the startling figures that the percentage of Indians recruited recently to superior services had gone up to 72 or 75 per cent. What more does this House want?

Sir, I do think; Sir Hari Singh Gour's motion has served a very useful purpose if it be only to awaken the Railway Authorities or the Railway Board to the need of providing adequate training for the sons of this country to enter into the highest spheres of railway administration. Today we have an open competitive examination for entrance for such posts, but I do think it was a great mistake and a great administrative error to have retrenched the Superior Railway Officers Training College at Dehra and to have given it over to the army authorities for the Indian Military Academy. I call the serious consideration of the Honourable Member to the necessity for this country to have a superior railway training college. As I said in my speech in the general discussion on the Railway Budget, it was vitally necessary for this country to be in a position to supply all its railway needs from the smallest to the largest engines, and you cannot do this if Government continues to maintain their studied policy of indenting for all these requirements from England and the Continent. I can almost liken this tragedy to the cultivation of cinchona. India is the home of malaria and yet the Government of India studiously indents at a very high rate maintained by monopolists for its quinine from Java, instead of starting large cinchona plantations in this country. The same thing applies to the railways; and, if Sir Hari Singh Gour's motion has the effect of stimulating the Railway Board to a further sense of its duty, it will have served a very useful purpose and he will have my entire support.

There is, however, just one thing and it is this: in our quest for Indianisation or Europeanisation or Anglo-Indianisation, call it what you like, or as my friend, Mr. Neogy, once put it, "Gidneyisation", one must never forget the fact that after all, Indian railways only want the best men as officers, and you must go through the mill and training from the lowest to the highest: you cannot—indeed it would spell disaster to—expedite Indianisation at the expense of efficiency. With this important provision, I have great pleasure in supporting the motion before the House.

Rai Bahadur Lala Brij Kishore (Lucknow Division: Non-Muhammadan Rural): Sir, for sometime past I am keeping myself in touch with the grievances of the Indian staff on the E. I. Railway system, and I regret to state that the impression that has been made on my mind is that at least on the E. I. Railway the interests of Indian employees are sadly neglected.

Under the new Divisional system, officers have lost touch with the staff. The Divisional Superintendent is quite unapproachable, while the Transportation, Commercial and Staff Superintendents are either too much tied to their tables or have no desire to maintain contact with their staff. I really do not understand as to what useful purpose it serves to have a senior scale officer as Staff Superintendent on each Division. If he is meant simply to register the decrees of Transportation and Commercial Superintendents, it will be in the interest of economy to have a junior scale officer on that post. It should be the duty of the Staff Superintendent constantly to go out on the line and study the grievances of the staff.

It is now some years past that it was declared that all racial discrimination in the matter of appointments and promotions had ceased to exist on State railways. But how is this policy actually being carried out on the E. I. Railway? In reply to one of my questions, I was told that there was not a single Indian holding the appointment of Assistant Station Master or Platform Assistant on big stations like Howrah, Asansol, Mughalsarai, Allahabad, Lucknow and Cawnpore. My information is that similarly there is not a single Indian holding the post of Assistant Yard Master and Yard Master. Does it not look strange that with hundreds of Indian Assistant Station Masters and Station Masters serving on the E. I. Railway, there should be found none competent enough to manage the post of Assistant Station Master or Platform Assistant? The reason lies in the way in which rules regarding promotion are framed.

An Indian Assistant Station Master, after reaching his maximum on Rs. 76 has got to get into the Station Master's grade on Rs. 80, after that into the Assistant Station Master's grade on Rs. 85 and Rs. 95 only, and then into the Station Master's grade on Rs. 120 per mensem, etc. etc. A Number-Taker, after waiting a life time on the maximum of his grade pay, Rs. 70, gets into the grade of Head Number-Taker on Rs. 110 and is provided promotion to the post of Yard Supervisor, which posts do not exist at least on some Divisions of the E. I. Railway. Under these rules, what chance is there for an Indian employee to rise to higher posts of Platform Assistants and Assistant Yard Masters?

Some arrangements may be made to bring Indian Assistant Station Masters and Head Number-Takers on the relieving list and to promote them to higher subordinate posts. Under the present rules, they have no chance of promotion to these posts.

As regards the Superior Officers, a cry has been raised, I think since the time when the late Mr. Gokhale was here, that the railway administration is a peculiar instance of extravagance. Complaints have been made from year to year, but no proper heed has been given. Now, we have reached a stage, we have reached a critical moment, we have reached a crisis, when not only this House, but even the Honourable the Commerce Member and his Department have to take stock of the whole thing and apply their minds very seriously. Railways ought to be run on commercial lines; if they cannot afford to bear the burden of this high rate of pay, it is necessary that a little reduction in the pay of Superior Officials should be made. I for one at present have no mind to give any constructive proposals as to what should be done. It is for the Department to find out as to how much reduction is necessary, if you want to carry on the railway administration on really economic lines. It is for you to sit together and put your heads together and to find out how much economy can be effected. With these observations, I close my speech.

Mr. Goswami M. B. Puri (Central Provinces: Landholders): Sir, I have much pleasure in supporting the motion of my Honourable friend, Sir Hari Singh Gour. He has dealt in details about the various Commissions which were sent out to redress the grievances in this respect; therefore, I shall not deal with that aspect. Our gallant friend, Sir Henry Gidney, has also dealt with that point to some extent, but I want to say one word about what he said. He was of the opinion that the grievances about Indianisation were being duly redressed by the Railway Authorities. I do not agree with him as far as that point is concerned. I know the Railway Authorities are doing their level best to bring about Indianisation, and it is a matter of great satisfaction that, within two or three years, they have been able to show a great deal of progress; but that is not sufficient. We want the pace to be hastened. This is the proper time when the principle of Indianisation should be strictly followed.

The recommendations of the Lee Commission are not given effect to in their proper spirit, and I would like that the Honourable the Railway Member should take them seriously. Sir, it is not a matter of mere obligation that the railway services should be Indianised, but we feel that it is a question of our right, because we Indians have invested over 800 crores of rupees in the railways. I, therefore, appeal to the Railway Board to do their level best to bring about Indianization as early as possible. I know there is Indianisation at the bottom, but there is no desire to Indianise the services at the top. There are a few Indians as Officers at the top, but their number is much inadequate. I, therefore, hope, Sir, that before the new reforms are introduced, there will be sufficient Indianisation in a true sense. With these words, I support the motion of my friend, Sir Hari Singh Gour.

Mr. S. G. Jog: Sir, it is rather in a half-hearted way that I am on my legs now

An Honourable Member: Then don't get up. Why should you?

Mr. S. G. Jog: On this side the motion has been made by my esteemed and illustrious Leader, Sir Hari Singh Gour, and on my right I find I have my Honourable and gallant friend, Sir Henry Gidney, who is never in the right—he is always in the wrong. (Laughter.) Sir, this question of Indianisation of the services in the railways has attracted the attention of the Indian public for well nigh fifty years, and year after year we have been discussing it on the floor of the House, but so far as the principle goes, both the Treasury Benches as well as the Non-Official Members of the House are agreed that the services in the railways as well as in other departments should be completely Indianised, and there is absolutely no difference of opinion on this issue. But the real difficulty, having agreed to the principle, in translating that principle into practice, is so great that we are compelled to bring the question before this House every year—it has become more or less a hardy annual—and discuss it exhaustively, in order to press it on the Treasury Benches as if it is a live issue.

Sir, this is a question which relates to the very existence of Indians. The Railway Department with its huge revenues, with its all pervading nature and with the numerous departments it has under its control, can certainly Indianise the services if they desire to do so, because we Indians naturally look to the Railway Authorities for more and more of our people

to be absorbed by the railway administration every year. My friend, Sir Henry Gidney, is probably in a happy position. When he was in England, he made so many speeches, and probably he has returned to this country with the satisfaction that he has achieved what he really wanted. I am glad to find that he has risen to support the cut moved by my friend, Sir Hari Singh Gour. He is a man. It is very difficult to say whether he is a fish or whether he is a fowl. Whenever he finds that he can get an advantage on that side, he styles himself as a Statutory European. When the question of Indianisation comes in, he gets up and says that he is an Indian. (Laughter.) So I find that my immediate neighbour is in a very happy position. He wants to have it both ways, but I would like to make an appeal to my friend: I think he should make up his mind once for all. If he wants to go with the birds, let him do so; if he wants to go with the beasts, then he should go with the beasts. So he should make up his choice once for all

Lieut.-Colonel Sir Henry Gidney: Would I have supported this motion if I were not a Statutory Indian?

Mr. S. G. Jog: Our main difficulty in the railways is, we have not merely to fight the Europeans, but also the Anglo-Indians.

Lieut.-Colonel Sir Henry Gidney: No, no; not a bit.

Mr. S. G. Jog: If you will compare the services at the top, you will find that almost all the highest posts are monopolised by Europeans; you will find many departments in the railway services where you will not be able to find even a single Indian occupying any position of responsibility. Leaving aside the top services, the next service of any importance in respect of advantage and pay is monopolised by Anglo-Indians, and, to some extent, I must say with great respect to my friend, we have to fight these people too. My friend, Sir Henry Gidney, has often said that they must have a lion's share in the railway services

Lieut.-Colonel Sir Henry Gidney: I have always been a lamb over here. I have never demanded a lion's share.

Mr. S. G. Jog: My friend has all along been saying that it is the Anglo-Indian community which has built up and developed the Indian railways, and, as such, that community should get preferential treatment in all the departments of the railways of this country. If my friend is prepared to join hands with us and live on the standard of life which we Indians are adopting, if he is prepared to accept jobs and posts on the scales of pay which are offered to us Indians, we for our part would be perfectly prepared to embrace him in our fold. I am told, Sir, that the higher officials of the Government,—I do not know whether it is the Secretary of State or who it is,—had issued instructions, when the campaign of retrenchment was progressing, that Anglo-Indians should not be touched, that the pay of Anglo-Indian employees should not be reduced in such a way that it will affect their domestic life. Sir, an Anglo-Indian like a Bara Saheb wants all the comforts, he wants a big bungalow, he wants all the amenities of life like a European, and, therefore, this community has been agitating for the retention of all the privileges they have been enjoying all these years, with the result, we understand, that confidential

[Mr. S. G. Jog.]

Instructions were issued, so that their pay or allowances should not be touched in a manner which would reduce their comforts or affect their domestic life, which necessarily meant at the cost of the Indians in the service.

Lieut.-Colonel Sir Henry Gidney: I challenge the Honourable Member to produce one order which says that the pay and other allowances of Anglo-Indians should be retained as higher than that given to Indians.

Mr. S. G. Jog: As regards the question of Indianisation, I find, at page 77 of this Red Book, two tables have been given, and I should like to read to the House a few figures:

"It will be observed that the Indian element in the Superior Services has risen from 28.02 per cent. on State-managed and 17.74 per cent. on Company-managed railways in 1925, to 38.79 per cent. on State-managed and 32.13 per cent. on Company-managed railways in 1933, by a corresponding reduction in the European element. Among the Indians, the percentage increase by communities in 1933, as compared with 1925, is as follows."

I have no desire to tire out the patience of the House with a detailed examination of these two tables, but I would recommend the House to go through them.

Then, in paragraph 78, it is stated:

"Turning to the subordinate staff on scales of pay rising to Rs. 250 per mensem and over, the corresponding figures are as under."

They are very interesting reading, and from that you will find how slow is the pace of Indianisation. Whether it is a motion for censure or whether it is only an academic discussion, I am not concerned in the least; what we have to see is the substantial nature of it. If you are really making progress, I must say that this does not satisfy the aspirations of Indians. It is a very slow process. What the Railway Department should do is, they should stimulate the aspirations of the Indians, they must open schools and give training to Indians on technical lines, and they must see that Indians are provided in all the branches in greater numbers. If there are no educational facilities, you must see that they are provided. It is no use saying, you must start from the beginning and it will take years before you rise to the top posts. You must start schools. You must give technical education, and you must take some boys by a direct process of recruitment, and you must make a deliberate attempt to take more and more Indians in all the branches of the railway services. I have given notice of a cut motion, No. 95, for the purpose of drawing the attention of the Railway Board to the fact that the apprentices, who have been trained by the railways for higher technical services, have not been provided for after the completion of their training course. As my Honourable friend has just pointed out, even the existing schools, where Indian aspirants get some facilities for training, have been closed. I have got a few cases which I am bringing to the notice of the authorities concerned. I know of a case where a boy, after having been trained, has been without any employment for the last two years. I have got similar cases. Even after persistent and consistent attempts on my part for the last two years, the boy is still wandering on the roads in spite of his technical education and high university career. I want the Honourable the Railway Member to find out such cases where people have been trained and have qualified themselves for higher

jobs, but have not been provided for. If they are not provided for, it will have an adverse effect in stimulating technical education. If people find that men who have been trained for the last so many years are still unemployed, what effect would it have on those who would like to have more technical knowledge and education. I know of many departments in the railways where Indians do not find a place at all. Although the Government have agreed in some respects to the principle of Indianisation, still I must say that they have not got a free mind in this respect. Government want to exclude Indians as far as possible. I do not think that they are working out the principle of Indianisation in a proper spirit. They want to exclude Indians as far as possible. They do not want to encourage higher training, because they think that it is the preserve of the Europeans first and the Anglo-Indians next. This idea of preserving this department for the sons of Europeans and Anglo-Indians must be abandoned. Look at the Indian population, look at the Anglo-Indian community, and look at the number of Europeans. Consistently with their number and education, more and more Indians should be provided in this department. Take, for instance, the Transportation Inspectors who get a pay of Rs. 500. I am told that in this Branch there is not a single Indian, though the number of posts is about 25. I am talking of the G. I. P. Railway, because I have not got the figures for the other railways. Take the Station Masters who draw Rs. 395. Even here the number is very small, even negligible. There are District Controllers drawing Rs. 345. There is another department which is called the mail and passenger guards department. Throughout this line, there is not one Indian Passenger and Mail Guard. Why this diffidence, why this mistrust, why this distrust of Indians? Distrust of Indians is still the policy of the higher officials of the railways. The Railway Department must change their angle of vision. Just as in other departments you must begin to trust the Indians. Why should you not place an Indian as a Mail and Passenger Guard? Why are you not prepared to trust Indians? The policy of the Railway Department still seems to be not to place Indians in positions of trust, or to give them executive jobs. They might be given some unimportant jobs, but where the executive line is concerned, there Indians are excluded entirely as it were. It does not matter whether it takes a few years more or less, but I want the Railway Member to change his policy entirely. The association of Indians in an increasing number is a necessity for the time being, and we, on this side of the House, will not be satisfied with this slow pace. You must make a very bold attempt. You must show that you are really sincere about it. It is no use pleasing the Assembly once a year by giving them a few figures, just to give a higher percentage. We are not concerned with higher percentages.

As Sir Hari Singh Gour has suggested, let us have a detailed examination, a detailed statistics of all the services to find out how many Indians there are, and probably we shall be surprised to find that there are a number of branches where you won't find even a single Indian. We are not prepared to go by averages, we are not prepared to go by these figures that you have given here. They should give us more statistics so that we shall be able to examine the matter more carefully and scrutinise it much better. Till then we will not be satisfied on this side of the House with this slow and halting process of Indianisation. You must look at it as a question of great importance. You must look at it as a question with which the bread and butter of Indians are concerned.

[Mr. S. G. Jog.]

We want to show that we also can carry on the administration of the railways with success. It is a training ground, and we must associate ourselves more and more with the railway administration. We are fortunate in having an Indian at the helm of affairs. I could have excused an European in charge of the portfolio neglecting the aspirations of the people. But it is a matter of pride to us and to the House that we have got an Indian Member in charge. We hope that during his time this pace of Indianisation will go on at a rapid rate, and our aspirations will soon be realised. I again appeal to the Honourable Member in charge that he should pay more and more attention to this question. I heartily support the motion of my Honourable friend.

Kumar Gopika Romon Roy (Surma Valley *cum* Shillong: Non-Muhamadan): I remember this Indianisation question with some respect and I have a fond recollection of the occasion, because, in 1931, when I first came to this Assembly, Mr. Shanmukham (now Sir Shanmukham) Chetty offered me the first chance to make my maiden speech for which myself with my constituency am highly grateful to him, and on that occasion I spoke at length regarding the fate of Indians. I must say one or two words regarding the remark of my Honourable friend, Mr. Jog, against Sir Hari Singh Gour. He accused Sir Hari Singh Gour that he changed his robes too often in the green room of the Legislature, but this is the fate of India. From Jaichand to this day, the ruination of India has been brought about by her sons. If there were no change of robes, the ratio would never have gone from 1s. 4d. to 1s. 6d. and the Reserve Bank Bill would not have gone untouched from this House. However, this is our fate. One thing I must say that, in other parts of the world, a country is meant only for the sons of its soil. England is for the English, Scotland is for the Scotch and Ireland is for the Irish, but my friends on this side of the House forget that India is for all, excepting the Indians. Before I speak anything on the Indianisation question, may I ask the Honourable Member in charge, why there is differential treatment between Indians and Indians. Can he say whether he considers that our Anglo-Indian brethren are the sons of India or not, and, if so, why there is this invidious distinction between Indians and Anglo-Indians? An Indian Guard gets Rs. 70 to Rs. 80 at the utmost, while an Anglo-Indian or an European, if he is placed in the same position, draws from the beginning Rs. 180 to Rs. 200. Why this distinction? Could there be no saving if the two scales were made equal?

An Honourable Member: God has made them fairer.

Kumar Gopika Romon Roy: Thank you. I do not know if there is any such invidious distinction in any other railway, but this obtains in our blessed Assam Bengal Railway. Regarding Indianisation, we have heard a lot. People are going to the round table, the oblong table, the cipher table, in London, and so many other places. They are the blessed few. Our rulers and the Members in charge think that by this hoodwinking they will console India, but India is not a little child today. Indians have got a little wisdom. They know what is salt and what is sugar. At least they could realise it. I want to make a few cutting remarks on a few points. They selected Members from this House, but they did not ask the Legislature to elect them. They had selected Members

in order to show that they got Indian representatives, but may I ask the Honourable Members opposite, how they could substantiate that they were real Indians and not Government people?

Mr. Deputy President (Mr. Abdul Matin Chaudhury): We are discussing Indianisation.

Kumar Gopika Romon Roy: Yes, this is also Indianisation. In all these things, the claims of Indians are overlooked. We should not be surprised that in the railways, Indianisation is going on slowly. I have just heard from my friend over there reading that there are a few posts thrown to Indians like the bones thrown by the butchers in the road to the dogs. That is, I am sure, not for giving effect to the recommendations of this Assembly for Indianisation of the railway services, but more to solve economic depression which is sweeping over the railways, and that is also like beggars' alms to the blessed few. This in no way could be regarded as an attempt for Indianising the services by the Honourable Member in charge. However, we have heard many things. We hear many big and long vocabularies which almost break our jaws to utter, and also we often enjoy much sweet jugglery of words, but what are behind them? There are hardly any deeds to substantiate those. Only sweet words, but that won't do. We are hungry millions. The opposite side should not forget that we are crying for our bread, rather curry and rice, nay, a morsel of rice, but they think that these parliamentary etiquettes and colossal hoax and similar other things will quench our thirst and satisfy our hunger. What an irony of fate, Sir. However, I am fully at one with Sir Hari Singh Gour that this cut motion should be carried and that it will show at least that this House has strongly protested against such attitude of the Government. With these words, I support the motion.

Mr. Bhuput Sing (Bihar and Orissa: Landholders): I should like to say a few words on this question. The Indianisation of services is a hardy perennial. This includes the civil, military and railway services. We are now concerned with the last one. I think I will not be out of place to mention that only the other day the question of the Indianisation of the I. C. S. was discussed in the other House. Our grievances about Indianisation are twofold. First, the want of acceleration in the number of recruitment in the subordinate services and also in the lower ranks of the Superior Services. Secondly, the want of direct recruitment to the higher ranks of the Superior Services if suitable and qualified Indians are available. I think I will be told by the Government that qualified Indians are not available. I will say, and even I can quote instances where Indian engineers qualified with foreign degrees and with experiences in the United Kingdom and the Continental Railways are available. Further, Indians of the subordinate services, who were recruited ten years ago or even more before, are sufficiently trained in the railway working. If these two sources are tapped, I do not think that there will be a dearth of suitable Indian candidates for filling up the higher ranks of the Superior Railway Services. But, Sir, if by Indianisation the Railway Authorities take it to mean Anglo-Indianisation, I for one would not like to see such acceleration of Indianisation. I would like to explain myself, Sir, a little more clearly, because my Honourable and gallant friend, Colonel Sir Henry Gidney, probably will misunderstand me. What I mean to say is that if the community of my Honourable and gallant friend is found to be the best suited for particular branches of

[Mr. Bhuput Sing.]

railway service, I have got no grudge against them for holding the majority of the jobs in such branches and services. So far as the Anglo-Indians are concerned, my friend, Sir Henry Gidney, year in and year out dins into our ears that his community is the best suited for the railway services in all branches. This reminds me, Sir, of a story which I read long ago. There was a set of swimmers in a pond who became expert swimmers as no one else was allowed to come and to learn swimming in the pond. Even if some adventurous person desired to come to the pond for learning swimming, he was told by these expert swimmers that he should not come down to the water unless he actually became an expert swimmer. I think, Sir, this is exactly the argument of my Honourable friend, the representative of the Anglo-Indian community. He does not like the idea of allowing any other community to enter the railway services to prove whether they are more suitable for such services.

Lieut.-Colonel Sir Henry Gidney: That is a distinct mis-statement, Sir.

Mr. Bhuput Sing: A man cannot learn swimming without going into water, and so a man, however otherwise qualified he may be, cannot prove himself efficient for a particular service unless and until he has got the fullest chance of entering into the prohibited area of the railway services. With these words, Sir, I support the motion.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Sir, it was not my intention to take part in this debate (*Voices*: "Why? why?"),—because I knew full well that all in this House, not excepting the Government Members, were for Indianisation and no one was against the principle of Indianisation at the present moment. But when I found that my Honourable and gallant friend, Colonel Sir Henry Gidney, came out with figures to show that there has been sufficient progress in Indianisation, I join issue with him. Sir, I have just now got some Classified Lists of Indian railway employees, and a glance at the list of employees will at once convince the House that almost all the names therein, both of the higher appointments as also of the subordinate staff, are mostly European names. Sir, it is not known whether some of these gentlemen bearing European names have a complexion darker than mine, but the very fact that European names find place in it almost exclusively show that they have been given appointments because of European names, and I may take it that probably most of them are not true-born Indians.

Lieut.-Colonel Sir Henry Gidney: Are you a true-born Indian?

Mr. Amar Nath Dutt: I believe nobody can deny that.

Lieut.-Colonel Sir Henry Gidney: Question.

Mr. Amar Nath Dutt: Sir, I beg to draw the attention of the Honourable the Commerce Member as also of the Financial Commissioner and of the Member of the Railway Board who is present in this House to the fact that, in the list of Transportation Inspectors, the names,—Green, Smith, Huntly, Hyrapiet, King, Ogg, Rennick, Rundlett, Clarke, Hard, Hamilton, Voller, Butterfield, Bernil, Hawksworth, Mongney, etc., etc., occur without any break.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): No Indians?

Mr. Amar Nath Dutt: They are Statutory Indians. Let us presume that they are Indians, but that they are a distinct community by themselves, cannot be denied. We have so often heard of the distribution of patronage in the matter of services according to communities. I regret my friend, Mr. Maswood Ahmad, is not here, but at least my friend, Mr. Anwar-ul-Azim is here to press for communal representation in the services.

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

I, for one, of course, do not want communal representation in any State service whatsoever. But, Sir, if this House accepts the principle that there should not be any test of efficiency, but that, whether these railways were to run at a loss or not, there should be communal representation at certain percentages, I think then alone can they press for communal representation.

Shaikh Sadiq Hasan (East Central Punjab: Muhammadan): But you do not believe in it?

Mr. Amar Nath Dutt: Fortunately I do not believe in it.

Lieut.-Colonel Sir Henry Gidney: But why criticize the other community?

Mr. Amar Nath Dutt: But I ask, if so-called Indians, bearing *European* names, are to be considered as true Indians, is there not one amongst Indians bearing *Indian* names, who is qualified to hold a post of these Assistant Station Masters, Yard Inspectors, etc., which are filled only by men with such names as I was reading before this House? Sir, I beg to submit that I have every sympathy with the Anglo-Indian community and I am not one of those who want to stand in the way of their legitimate aspirations.

Lieut.-Colonel Sir Henry Gidney: Thank you.

Shaikh Sadiq Hasan: Only lip sympathy?

Mr. Amar Nath Dutt: Sir, I have been charged with insincerity, but the community about which I am speaking, and its representative in this House I think, knows me too well and I deny the charge. Be that as it may, what I beg to submit is this—am I to understand that Indians with *Indian* names are not efficient enough to discharge the duties of a Yard Inspector or Transportation Inspector, and so forth, and how is it that we only find the names of such gentlemen bearing *European* names?

An Honourable Member: Why don't you change your name?

Mr. Amar Nath Dutt: Sir, I have been asked to change my name; it is too late in the day to change my name, and then; probably I shall have to forgo my degrees and *sanads* from the High Court which is not

[Mr. Amar Nath Dutt.]

possible, and for my profession there is no necessity to do so, but apart from that, let the Anglo-Indian community have their due share of the services; but, at the same time, why not let in those Indians bearing Indian names? Why not let in some of those, who bear Indian names, also in those services? Sir, at the present moment I find in the case of the bigger stations Station Masters drawing Rs. 300, Rs. 400 and Rs. 500 a month, but none bearing any Indian name. Sir, I am told that apart from the pay there is the question of their other emoluments. I have no direct evidence to prove it in this House, but what I claim is a proper distribution both of the higher and subordinate offices amongst Indians. I won't grudge even Europeans, who are qualified to hold the higher appointments, holding them, but, Sir, the progress of Indianisation should be faster than what it is at the present moment, and on that I think everyone on this side of the House is agreed, and I think Government also accept that principle, and I only seek to draw the attention of the Honourable the Railway Member to this fact that there are certain services, even the subordinate staff, which are wholly or almost wholly composed of men bearing European names. I do not know whether they are Indians, Statutory Indians or Europeans, but we are entitled to form the conclusion that they are probably not Indians.

Lieut.-Colonel Sir Henry Gidney: Is my Honourable friend aware of the fact that those men, whose names he quoted, started this railway service on Rs. 20, Rs. 25 and Rs. 30 a month, and that they are merely now reaping the reward of long service, and that, in five or ten years times, they will be superannuated?

Mr. Amar Nath Dutt: I am told that within five or ten years there will be no more Europeans. Sir, I have consulted the previous classified lists, and I find that some of the names which appear here do not find their place in those lists. Are they not, therefore, new recruits? I challenge my friend to disprove it. They are new recruits. I would request the Honourable the Commerce Member to see more to the employment of Indians. Of course, I do not want him to exclude Anglo-Indians if they would choose to call themselves Indians. But their recruitment should not be to such an extent that their names should cover the whole of the pages of this classified list. It looks as though India has taken to European names only and there are no Indian names. With these words, I beg to support whole-heartedly my friend, Sir Hari Singh Gour's motion.

Mr. N. M. Joshi: Mr. President, I was unwilling to take part in this discussion especially as my Honourable friend, Sir Henry Gidney, has already spoken and may not have a chance to speak after I have spoken. However, as there may not be another opportunity for me to speak on this question, I would say a few words. The Royal Commission on Labour had made a recommendation as regards racial discrimination. That recommendation is summarised in this book by Government and it is this:

"In regard to racial discrimination, definite steps should be taken which will lead, in a specified term of years, to the progressive elimination of any form of discrimination as regards both appointments and promotions to all grades and classes."

Now, Sir, we must remember that this recommendation was made by the Royal Commission after Government had formally recognised that there shall be no racial discrimination so that the Commission knew that in

principle or nominally the racial discrimination was removed. But the Royal Commission found that in practice, both as regards appointments and promotions, there was racial discrimination. On this recommendation the Government of India have made a note which runs thus:

"The Railway Board have accepted the principle that there should be no racial discrimination and that communal discrimination should be eliminated in the future recruitment apart from any reservation or first appointments made under the orders of the Government of India to choose suitable representatives of minority communities. No such reservation applies in respect of promotions."

Mr. President, I could understand the necessity of reserving a certain proportion of posts for the minority communities, and I have absolutely no grievance on that account. The Government of India, when they recognised that there shall be no racial discrimination in principle, they also distinctly stated in a publication that, so far as the Anglo-Indian community goes, they cannot in practice do anything by which there will be a sudden disturbance in the life of the Anglo-Indian community. I myself accept that principle that, if a community is accustomed to secure certain appointments in Government service, it is wrong to make a sudden disturbance in the life of that community. The Royal Commission accepted that principle and they, therefore, suggested that although Government have already removed in principle the racial discrimination, they should take steps in practice to see that gradually that principle is brought into action. Now, what Government have done is this. Government, in order to be able in practice to give appointments to Anglo-Indians, have distributed appointments of a particular kind into certain grades, lower grades and higher grades. There, again, in theory, posts of higher grades are open to Anglo-Indians as well as other Indians, but in practice Anglo-Indians are appointed in larger numbers to the higher grade and Indians are not generally appointed on their first appointment to the higher grades. Now, there is no racial discrimination here in name, but in practice there is racial discrimination. This also affects the promotion. If you appoint Anglo-Indians in larger numbers on the higher grade, they always remain senior in service, with the result that, as Government have themselves pointed out, in certain grades you will always find the largest number of Anglo-Indians, because they are appointed on a higher grade to start with, with the result that the Indians who are generally started on lower grades cannot reach them in seniority at all. It is in this manner that the racial discrimination is still kept up in practice. I again repeat that I do not wish any sudden disturbance in the life of the Anglo-Indian community. But the Government and the Anglo-Indian community have both to consider the fact that in certain appointments the Anglo-Indians get the largest share, Government's object being not to make any sudden disturbance in the life of the Anglo-Indian community. Now, both Government and the Anglo-Indian community must remember this that this distinction which remains in practice creates jealousies and discontent in the railway service. Ordinary Indians, who start on a lower grade, can never in the ordinary course hope to get appointments in the higher grade and they become discontented. It is a fact that they are jealous and the two communities find it difficult to remain on friendly terms on this very account. I would, therefore, suggest to the Government of India that, so far as the claim of the Anglo-Indian community is concerned, they should give them protection, but they must now take steps to see that the Anglo-Indians get jobs in different services and in different departments instead of being dumped, as it were, in one Government department. So far as the Anglo-Indians

[Mr. N. M. Joshi.]

are concerned, it is not my business to give them a piece of advice, but even to them I would say that, the sooner they become educated and compete with others on equal terms, the better for them. If they get educated, time will come when they will not have any need to ask for protection. Let them follow the example of the Parsi community, a community to which my Honourable friend, Sir Cowasji Jehangir, belongs. Their standard of life is not lower than the standard of life of the Anglo-Indians, and, on account of their education, they manage to get higher appointments and keep up their standard. I do not desire that the Anglo-Indian community should bring down its standard of life. In fact, I would rather like all Indians to aspire to reach their standard of life, but they must also remember that, if they try to enter one department of service, there is bound to be jealousy and discontent in the ranks of all people in that service. I would, therefore, suggest to the Government of India that they should take steps to see that no one branch is monopolised by one community. If they want to help, as we all want to help, the Anglo-Indian community to maintain their standard of life, the Anglo-Indians should be distributed over several departments. The Anglo-Indians should be encouraged to receive higher education and to compete with others. The sooner they take these steps, the better it will be both for the country as a whole and the Anglo-Indian community.

Lieut.-Colonel Sir Henry Gidney: As I have already spoken, I wish to ask your permission, Mr. President, to say that when I spoke on Sir Hari Singh Gour's motion before the House for Indianisation, I did not speak on a motion for Ex-Anglo-Indianisation, about which frequent mention has been made by many speakers. With your permission, Sir, I wish to make it abundantly clear that I want to thank Mr. Joshi for his support, but the position, as placed before this House by many Members, is certainly not correct, but a distinct travesty of facts and misstatement of the position.

Sir Cowasji Jehangir: Sir, I hardly ever take part in any debate in this Honourable House which has a communal aspect. But my Honourable friend, Mr. Joshi, has done my community the honour of stating, that we get higher appointments due to our standard of education, and he asked Colonel Gidney and his community to follow our example. Sir, we have not, during the three Round Table Conferences, asked for any privileges (Hear, hear) and we have not asked that any posts even in the Bombay Presidency or that any appointments should be set aside for us. But there may come a time, when my very small community may feel that no appointments under Government are open to them, not because they are not fit to hold those appointments, but because those appointments have been assigned to certain communities (Laughter) and that the appointments left for open competition are very few indeed, and we, a small minority, will have to compete for those very few appointments with the advanced classes, the classes from which my Honourable friend, Mr. Joshi, comes, the Chitpavan Brahmins who are famous throughout my Presidency and perhaps throughout India for their intellectual attainments. Although we do not complain, we have not complained, and I hope the time will never come when we shall have to complain, but I will ask that at least in the Presidency from which we all come and a majority of us live, this Government and the future Government will see to it, that those who deserve appointments amongst my community will not be left out, because we happen to be Parsis (Hear, hear) and do not happen to belong to the

favoured communities like that of my Honourable friend, Colonel Gidney. My Honourable friend's community has been a favoured community and most probably has deserved to be a favoured community. It is sometimes a hardship in this country to have a standard of living higher than those among whom we live. My Honourable friend's community has been suffering from their higher standard of living. We suffer from the same. But I am not stressing my argument from that point of view. It does not matter what our standard of living is. On behalf of my small community, I say that we shall be prepared to take the same pay and the same rewards as any other community, but as time goes on, I do hope that this House will see to it that the number of appointments under Government open for competition will be larger than those reserved for special communities. We are running into that most dangerous position where a majority of appointments may be assigned, before a single application is made, to certain communities.

I remember a time, I do not know whether you, Sir, remember it, when the communal issue was confined to a discussion as to how many appointments should be given to Indians and how many to my friends, the Englishmen. The complaint was that injustice was done to Indians as a whole by a monopoly given to Englishmen of the higher appointments in this country. Those days are gone or will very soon go. I regret to say that we may arrive at a position worse than the position which we complained about and which our great men complained about 20 or 25 years ago. After all, the appointments assigned to Englishmen were very few compared to the appointments now assigned to the different communities in India and to the different groups in India, leaving practically a small percentage for open competition, a small percentage of appointments for men who can prove themselves, before they are appointed, fit to hold the posts to which they aspire. I trust that the day may never come when my successors, if there are any in the future House, may have to make communal speeches and may have to ask for justice at the hands of my Honourable friends. That day has not come and I pray that that day may never come, but I have my apprehensions, and those apprehensions are increasing everyday due to the demands constantly made by small communities for reservation of appointments in every grade and in every sphere of life. (Hear, hear.) Sir, if we are to have Swaraj and if we are to talk of Indianisation, I do hope that we shall talk of Indianisation in its proper light, in its proper perspective, real Indianisation and not communalism. Every time we have a discussion on Indianisation, it gets into a discussion on communalism. We are not talking of communalism, but we are talking of our countrymen holding and being capable of holding higher posts in their own country. We used to talk about Indianisation 25 years ago, but now it is regrettable to find that the conversations and the talks and the discussions always turn towards reserving appointments, perhaps, for men who are incapable and who are unfit to hold those appointments. I have no grievance, whatsoever, against my Honourable friends, the Muhammadans, for they form a very big minority and they have a right to speak for that big minority, but when it comes to a small minority, minorities whose population run into, perhaps, a million or two in a vast country containing 360 millions of people, then we are carrying this question of Indianisation into purely a communal struggle, and that is not going to help the unity of India (Hear, hear), and that is not going to bring us Swaraj (Hear, hear), but it is going to lead us away from Swaraj and away from unity. I can understand my Honourable friends, the Muhammadans, saying "give us a small percentage, because we are one third of the population".

Bhai Parma Nand (Ambala Division: Non-Muhammadan): That is not communalism!

Sir Cowasji Jehangir: You must remember that Muhammadans are also Indians.

Bhai Parma Nand: What about the Sikhs, the Jains?

Sir Cowasji Jehangir: For the sake of unity, for the Muhammadans, who form one-third of the population, I am prepared to concede that a certain percentage should be assigned to them. But the Sikhs and the Jains and everybody else are Hindus, and, if the day comes, when everybody, the Sikhs, the Jains and the Anglo-Indians and all others claim for themselves a certain percentage of posts, then you may say "good-bye to Swaraj, good-bye to anything like a future for this country".

Mr. Amar Nath Dutt: Then why do you concede that Muhammadans alone could demand reservation of posts?

Sir Cowasji Jehangir: I would ask my Honourable friend not to rake up a communal issue of this sort. He himself has admitted it, we have admitted it, the country has admitted it, for the sake of unity, whether we like it or not, that a fair percentage should be assigned to a very big percentage of the population of this country. They do not come forward and say that the Shias should have so much and the Sunnis should have so much.

Bhai Parma Nand: Then why not to the depressed classes? They have been acknowledged as a minority community in the Minority Pact.

Sir Cowasji Jehangir: Whose fault is it? It is your fault. If you will admit the depressed classes as Hindus which they are, and I am sure in 20 years' time you will be prepared to admit that the depressed classes are Hindus and as much Hindus as my friend, Bhai Parma Nand, the day you acknowledge that fact, then the day will arrive when there will be no such thing as the depressed classes or their demanding a certain portion of the reserved seats. I am fully aware of the injustice that has been done already to the caste Hindus

Mr. Amar Nath Dutt: By the Poona Pact.

Sir Cowasji Jehangir: And nobody has protested more strongly than myself, but we go back to the principle that I was trying to enunciate, namely, do not reduce the percentage of appointments for those who are able to apply and get those posts by open competition. That is what I have been trying to stress throughout. I do not desire to mix up that question with the question of the depressed classes. That is what we are getting into and that is not going to lead to good Government. It is not going to lead us to the goal which every one of us desire to get to. In Government service, it is absolutely essential that you should have the best men; and if you force Government to provide that, in the future Constitution, a large percentage of seats shall not be open to those who can hold them due to education and capacity, then, Sir, the clouds, dark as they are, will not rise and it will be a century before any silver lining is seen in those clouds.

Sir, I only intervened, because my Honourable friend, Mr. Joshi, referred to my community, and I do feel that both Mr. Joshi's community and my own community may suffer, because the posts available to us will be only a fraction of the posts available in Government. And if that day comes to pass, God help us all.

The Honourable Sir Joseph Bhore: Sir, I am sorry that this debate has strayed into the communal field and, with your permission, I would like to confine my reply to a narrower issue, namely, the issue implied in my Honourable friend, the Mover's motion. In regard to the principle of Indianisation, I do not think there can be any measure of disagreement between Honourable Members opposite and ourselves. We are committed to a policy of increasing Indianisation, and, as my Honourable friend, the Mover, rightly pointed out, that principle was given material recognition in the Lee Commission's recommendations. I think even my Honourable friend would agree that the racial proportions there laid down should at any rate for the present be considered by us as serving all our present needs and requirements. The only question, therefore, now is whether we have or have not, since the adoption of the recommendations made by the Lee Commission, adhered to the proportions that were laid down in them.

Now, Sir, I think that my Honourable friends might have found some little difficulty in extracting figures from the books and statements supplied to them, and I will, therefore, take the opportunity of clearing the issue by giving them, as concisely as I can, figures in respect of racial proportions of recruitment during the last few years. The recommendations of the Lee Commission were accepted in the year 1925 and I think it was from the year 1926 or 1927 that those proportions were put into actual practice in our recruitment. My contention is that we have definitely kept to those proportions, and if my Honourable friend will carefully study the figures that have been given, I think he will find that we have over this period not departed from the proportions which were then laid down.

I will first take the question of recruitment to the Superior Services. In the last four years, on State-managed railways, and those are the railways for recruitment to which we ourselves are responsible, the ratio of Indian recruitment was 74·62 for Superior Services and 79 per cent. for all gazetted posts. It is perfectly true that, during the last three years, our recruitment has been diminished very considerably, but Honourable Members know the reason for that. Owing to retrenchment, we have either definitely stopped recruitment or cut it down to a very large extent. Notwithstanding that and notwithstanding the size of the cadre, there has since 1926 been a very considerable movement in the enlargement of the Indian element and the reduction of the European element. Since 1926, when the Indian element of gazetted officers on State-managed railways amounted to 28 per cent., we have progressed to 38·79 per cent. in 1933, the number of Indian officers having increased from 820 in 1925 to 429 in 1933, and the European officers during the same period having decreased from 822 to 677,—a decrease of 17 per cent. My Honourable friends will realise, when they ask for more rapid Indianisation, that we really are limited in this matter by the number of recruitments which we are in a position to make from year to year owing to retrenchment.

Then, Sir, I think my Honourable friend, the Mover suggested,—though he did not make the suggestion definitely,—that there should be more appointments to the higher posts on the railways. On that point

[Sir Joseph Bhore.]

I have more than once in this House expressed my own view. There we are bound by a basic consideration, namely, the consideration of justice towards serving officers. Honourable Members will realise that Indian recruitment on any material scale did not take place till comparatively recently. The result is that the senior officers are largely Europeans. When, therefore, it comes to appointments to the higher selection posts, it naturally follows that the officers who are senior must have their claims considered first. Now, Sir, I can understand the attitude which says that if an Indian and a European officer have approximately the same claims, the balance should be weighed slightly in favour of the Indian. That attitude I can understand, but I am sure that the House like myself cannot and will not agree to pass over a European officer who is efficient and who has superior claims for a post, simply because he is a European. Nevertheless I would like to bring to the notice of the House the progress that has been made in Indianisation even in the higher posts under the Railway Board. Take the Railway Board itself: of 14 superior posts, in the Railway Board today, six are held by Europeans and no less than eight by Indians. My Honourable friend, Sir Hari Singh Gour, wanted statements of the progressive Indianisation of the railway services. I am afraid my Honourable friend does not honour us by reading the literature which is supplied to him. He will find those figures given year after year in the administration reports of the railways.

My Honourable friend, Mr. Joshi—I do not now desire to follow him into a field which I have just now characterised as the communal field—said that he entirely agreed with the principle that there should be no violent dislocation of the economic life of the Anglo-Indian community; but what he did want was that there should be no monopoly by that community of certain grades of appointments. I think possibly to some extent his anxiety will be allayed if I quote to him the figures given in this report on page 58. There we have a statement of subordinates on scales of pay rising to Rs. 250 and over on class I railways: on the 31st March, 1983, there were in this class 1,402 Hindus, 311 Muslims, 2,355 Anglo-Indians, 141 Sikhs, 135 Indian Christians and 178 other classes. It is perfectly true that the number of Anglo-Indians is considerable, but my Honourable friend will realise that a great many of these have been appointed in the past, and, as Sir Henry Gidney pointed out, in the future their number will probably be reduced. (Interruption.) I am not giving way.

My Honourable friend, Mr. Gopika Romon Roy, who, I am sorry to see is not here, made, if I may say so, three misstatements. He said that he was under the impression that England was for the English and Scotland for the Scotch. That, I think, is incorrect. Scotland is certainly for the Scotch, but England also is, I believe, for the Scotch as well. (Laughter.) Then he described himself as one of the hungry millions. If my Honourable friend is indeed in that class, appearances are deceptive. Lastly, he suggested that even now there was some discriminatory treatment in the matter of pay between Anglo-Indian guards and other guards. I speak subject to correction, but I think that is not so in regard to new entrants on State railways.

I think I have covered most of the points with which my Honourable friend, Sir Hari Singh Gour, dealt. If his motion was merely intended

to see that Government is kept up to the mark, that there is no slackening in our efforts in the direction of Indianisation, I welcome the debate which he has raised; but in view of the facts which I have given him—and I hope that I have satisfied him that we have not been failing in our duty in this respect—I hope that he will withdraw his motion.

Sir Hari Singh Gour: Sir, when I moved this motion, I was impelled by the sole desire of drawing attention of the Honourable the Commerce Member to the fact that Indianisation of the Indian railway services must be made a part of his political and official religion, and, secondly, that such Indianisation will be conducive to the economic working of the railways. I find from the Honourable the Commerce Member's speech which he has delivered that he is making a serious effort in that direction; and assured as I feel by the remarks made by the Honourable the Commerce Member that his efforts in the future would be in the direction of Indianisation in a progressive manner, I would ask the permission of the House to withdraw my motion.

The cut motion was, by leave of the Assembly, withdrawn.

Mr. President (The Honourable Sir Shanmukham Chetty): Tomorrow morning the European Group will have its turn. The un-
5 P.M. attached Members have not come to any agreement among themselves so far; if they come to an agreement and inform the office before the evening, say, about 5-30, then they will get their chance tomorrow afternoon; otherwise the motions in the order in which they stand on the Order Paper will be taken up tomorrow afternoon.

The Assembly then adjourned till Eleven of the Clock on Friday, the 28rd February, 1934.