

THE
LEGISLATIVE ASSEMBLY DEBATES
Official Report

Volume III, 1947

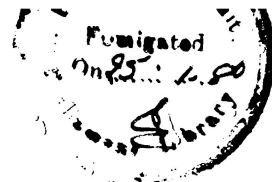
(10th March, 1947 to 24th March, 1947)

THIRD SESSION
OF THE
LEGISLATIVE ASSEMBLY
1947



A. B.

x



LEGISLATIVE ASSEMBLY

President :

The Honourable Mr. G. V. MAVALANKAR.

Deputy President :

Khan MOHAMMAD YAMIN KHAN, M.L.A.

Panel of Chairmen :

Syed GHULAM BHIK NAIRANG, M.L.A.

Mr. P. J. GRIFFITHS, M.L.A.

Sardar MANGAL SINGH, M.L.A.

Shrinati AMMU SWAMINADHAN, M.L.A.

Secretary :

Mr. M. N. KAUL, Barister-at-Law.

Assistants of the Secretary :

Mr. A. J. M. ATKINSON.

Mr. HASAN MOHAMMAD KHAN.

Mr. N. C. NANDI.

Marshal :

Captain Haji Sardar NUR AHMAD KHAN, M.C., I.O.M., I.A.

Committee on Petitions :

Khan MOHAMMAD YAMIN KHAN, M.L.A. (*Chairman*).

Syed GHULAM BHIK NAIRANG, M.L.A.

Shri Sri PRAKASA, M.L.A.

Mr. C. P. LAWSON, M.L.A.

Sardar MANGAL SINGH, M.L.A.

CORRIGENDA

to

Index to Legislative Assembly Debates, Volumes I to V, 1947

(3rd February, 1947 to 12th April, 1947)

- Page 11, transfer line 9 above line 6.
- Page 13, omit line 12 from bottom and transfer line 11 from bottom after line 32 from top.
- Page 17, omit line 6 from bottom.
- Page 19, insert "Reserve Bank of India (Second Amendment) Bill. 3092, 3095-96, 3099, 3104." above line 20 from bottom.
- Page 27, insert "Publicity by certain newspapers of the recommendations of the Select Committee on — before the presentation of the report. 1538-39." over line 2 from bottom.
- Page 29, omit existing line 9 and in existing line 25 for "BISCUIT(S)—" read "BIRD(S)—".
- Page 36, omit lines 7 and 8.
- Page 42, after line 16, insert "CIVIL SUPPLIES—".
- Page 43, for line 2 under "COACH(ES)—", read "Air conditioned — on G.I.P., B.B. & C.I., M. & S.M. Railways. 2905-06."
- Page 46, above line 4 from bottom, insert "Terms of reference of Armed Forces Nationalisation Committee. 2940."
- Page 51, under "COTTON—", in line 3, for "907-07" read "906-07".
- Page 58, above line 12 from bottom, insert "Capital Outlay on Civil Aviation. 1966."
- Page 60, for existing line 5, read "Functions of the Commodities Prices Board and matters connected therewith. 1626-42."
- Page 62, under "DEMONETIZATION—", for "2399" read "2390".
- Page 65, last line, for the illegible figure read "3140".
- Page 78, under "FORCES—" after line 3, insert "See also 'Army(ies)'".
- Page 80, in line 3, for "Allied" read "Armed".
- Page 84,—(i) omit line 2;
(ii) above line 32 from bottom insert "Consideration of Clauses. 510, 528, 945."; and
(iii) omit line 30 from bottom.
- Page 86, under "GOVERNMENT SERVANTS—" after line 4, insert "See also 'Employee(s)'" and omit line 6 from bottom.
- Page 100, under "HOUSING—" in line 2, after "re-housing" insert "scheme".
- Page 103, in line 9, for "1958-69" read "1968-69".
- Page 107, for line 28 from bottom, read "INDUSTRIAL DISPUTES BILL—"; and omit line 24 from bottom.
- Page 110, above line 11 from bottom, insert "Motion re—".
- Page 122, at the end of last line, read "Simla. 3068-69."
- Page 123, omit line 3 from top.
- Page 127, under "LANGUAGE—" after line 3, insert "order in addressing the House in a vernacular and ruling by Mr. President that an Honour-".
- Page 134, omit line 5 from bottom and in last line, for "890-92" read "990-92".
- Page 138,—(i) under "MANUFACTURE—" in lines 13 and 14, for "dry-stuffs" read "dyestuffs";
(ii) under "MANU SUREDAR, MR.—" omit line 4, and in line 5, insert "2753 59" before existing page numbers.
- Page 140, in line 35 from bottom, for "drystuffs" read "dyestuffs".
- Page 144, under "MATTHAI, THE HONOURABLE DR. JOHN—" after line 3, insert "Construction of new lines. 1950."

- Page 149, under "MOMBASA—" for the illegible figure read "96".
- Page 153, under "MUTINY—" after existing figures read "763-64".
- Page 154, for existing line 10 from bottom read "Recommendations of the Armed Forces Nationalisation Committee. 1758." and omit line 8 from bottom.
- Page 156, under "NAVY, ROYAL INDIAN—" in line 7, for "the Committee" read "the report of the Committee".
- Page 161, below last line, insert "See also 'Factory(ies)'"
- Page 162, for existing line 16, read "OUDH AND TIRHUT RAILWAY—" and omit lines 1 and 2 at top of the page.
- Page 169, under "PIPERADIH COLLIERY—" for "3389" read "3388".
- Page 172, omit line 7 and transfer the next line after line 1 under "POSTAL EMPLOYEE(S)—".
- Page 173, under "PRESS(ES)—" omit line 1.
- Page 180, for line 7 from bottom, read "Increase of — fares below Re. 1. 1228-29."
- Page 184, in line 10, the missing figure is "1097".
- Page 191, in line 18, for "2920" read "2926".
- Page 199, omit last line.
- Page 204, omit line 3 from bottom.
- Page 205, for existing line 3 from bottom, read "strike. 19-20."
- Page 206, at the end of last line, insert "Provinces. 169-70."
- Page 214, for existing line 18 from bottom read "SKELTON—".
- Page 220, at the end of line 9 from bottom, insert "1313-14".
- Page 223, in line 21 from bottom, for "strike as" read "strikers at".
- Page 224, under "SUGAR—" insert "Question re—" as first line.
- Page 226, under "SUNHEMP—" for "1608. 07" read "1606-07".
- Page 232, in last line, for "89" read "88".
- Page 251, line 19 from bottom, for "3396" read "3395".
- Page 252, after line 7, insert "Motion re—".

CONTENTS

Volume III—10th March, 1947 to 24th March, 1947

MONDAY, 10TH MARCH, 1947—

Member Sworn	1579
Starred Questions and Answers	1579—1622
Unstarred Question and Answer	1622
Motion for Adjournment <i>re</i> —	
Decision of the Government not to Publish the Recommendations of the	
Central Pay Commission so far received by them—Disallowed	1623
General Budget—List of Demands— <i>contd.</i>	
Demand No. 9.—Indian Posts and Telegraphs Department	1624, 1642—51
Inefficiency of the Postal, Telegraph and Telephone Services	1642—51
Demand No. 11.—Cabinet	1624, 1626—42
Function of the Commodities Prices Board and Matter connected therewith	1626—42
Demands Nos. 15, 16 and 21—23	1625
Demand No. 24.—Department of Labour	1625, 1651—62
Labour Policy of the Government of India	1651—62
Demands Nos. 25, 26, 28, 48, 54, 55, 57, 70 and 88	1625—26

TUESDAY, 11TH MARCH, 1947—

Starred Questions and Answers	1663—91
Unstarred Question and Answer	1691
General Budget.—List of Demands— <i>contd.</i>	
Demand No. 24.—Department of Labour	
Labour Policy of the Government of India	1692—97
Demand No. 11.—Cabinet.	
Welfare of Scheduled Castes	1697—1704
Demand No. 16.—Department of Information and Broadcasting	1704—24
Language Policy of All-India Radio	1704—24
Demand No. 55.—Department of Industries and Supplies	
Inadequate Supply and Mismanaged Distribution of Yarn amongst Hand-	
loom Weavers and Fishermen— <i>contd.</i>	1724—26

WEDNESDAY, 12TH MARCH, 1947—

Starred Questions and Answers	1727—77
Unstarred Questions and Answers	1777—78
Motion for Adjournment <i>re</i> —	
Proposed Termination of Services of Civil Ordnance Officers—Ruled out	
of order	1779—81
Delhi and Ajmer-Merwara Rent Control Bill—Presentation of the Report of	
Select Committee	1781
Imports and Exports (Control) Bill—Presentation of the Report of the Select	
Committee	1782
General Budget—List of Demands— <i>contd.</i>	
Demand No. 55.—Department of Industries and Supplies— <i>contd.</i>	
Inadequate Supply and Mismanaged Distribution of Yarn amongst Hand-	
loom Weavers and Fishermen— <i>concl.</i>	1782—96
Marking of Price and Control on Cotton Cloth Produced by the Indian	
Mills	1796—1801
Policy in regard to Controls of Articles other than Food— <i>contd.</i>	1807—20
Demand No. 11.—Cabinet—	
Necessity of effecting General Economy in the Expenditure of Various	
Department	1801—07

THURSDAY, 13TH MARCH, 1947—

Starred Questions and Answers	1821—56
Unstarred Questions and Answers	1857
Message from the Council of State	1858
General Budget—List of Demands— <i>contd.</i>	
Demand No. 55.—Department of Industries and Supplies	1858—85
Policy in regard to Control of Articles other than Food— <i>concl.</i>	1858—84
Demand No. 22.—Finance Department	
Inflation and High Prices	1885—96
Extension of Time for the Presentation of Reports of Select Committees on	
certain Bills	1896—97

FRIDAY, 14TH MARCH, 1947—

Starred Questions and Answers	1899—1922
Unstarred Question and Answer	1922
General Budget,—List of Demands— <i>concl'd.</i>	
Demand No. 21.—Department of Commonwealth Relations Condition of Indians overseas	1923—29
Demand No. 54.—Broadcasting Working of the Broadcasting Station at Peshawar	1929—34
Demand No. 11.—Cabinet— General Policy of the Defence Department	1934—58
Demands Nos. 1—91	1959—66

MONDAY, 17TH MARCH, 1947—

Members Sworn	1967
Starred Questions and Answers	1967—2001
Unstarred Questions and Answers	2002—08
Short Notice Question and Answer	2008—09
Statements Laid on the Table	2009—23
Statement <i>re</i> Railway Earnings—Laid on the Table	2023—24
Election of Members to the Committee to consider the Revision of the Convention <i>re</i> Railway Finance	2025—26
Control of Shipping Bill—Introduced	2026
Capital Issues (Continuance of Control) Bill—Introduced	2027
Provincial Insolvency (Amendment) Bill—Introduced	2027
Legal Practitioners and Bar Councils (Amendment) Bill—Introduced	2027
Requisitioned Land (Continuance of Powers) Bill—Passed as amended	2027—60
Imports and Exports (Control) Bill—Discussion on the motion to consider not concluded	2060—64

TUESDAY, 18TH MARCH, 1947—

Member Sworn	2065
Starred Questions and Answers	2065—90
Unstarred Question and Answer	2091
Imports and Exports (Control) Bill—Consideration of Clauses not concluded	2091—2129

WEDNESDAY, 19TH MARCH, 1947—

Starred Questions and Answers	2131—45
Short Notice Question and Answer	2146—47
Election to Standing Finance Committee for Railways	2147—48
Election to Standing Committee for the Department of Transport	2148
Election to Standing Committee for Roads	2148
Reports of Select Committees on—	
Business Profits Tax Bill	2149—53
Income-Tax and Excess Profits-Tax (Amendment) Bill	2149—53
Taxation on Income (Investigation Commission) Bill	2149—53
United Nations (Security Council) Bill—Introduced	2153
United Nations (Privileges and Immunities) Bill—Introduced	2153
Imports and Exports (Control) Bill—Passed as amended	2153—86
Delhi and Ajmer-Merwara Rent Control Bill—Discussion on the motion to consider as reported by Select Committee not concluded	2186—89
Income-Tax and Excess Profits-Tax (Amendment) Bill—Presentation of the Report of Select Committee	2189

THURSDAY, 20TH MARCH, 1947—

Starred Questions and Answers	2191—2219
Election to the Committee to consider the Revision of the Convention <i>re</i> Rail- way Finance	2219
Report of the Public Accounts Committee for 1944-45	2220
Election to Standing Committee for Department of Works Mines and Po- wer	2220
Election to Standing Committee for Food Department	2220
Election to Defence Consultative Committee	2220—22
Coal Mines Labour Welfare Fund Bill—Introduced	2222
Delhi And Ajmer-Merwara Rent Control Bill—Consideration of Clauses not concluded	2223—58

FRIDAY, 21ST MARCH, 1947—

Starred Questions and Answers	2259—93
Unstarred Question and Answer	2293—94
Message from the Council of State	2294
Election to Standing Committee for Communications Department	2294
Delhi and Ajmer-Merwara Rent Control Bill—Passed as Amended	2295—2329
Control of Shipping Bill—Referred to Select Committee	2330—31

MONDAY, 24TH MARCH, 1947—

Starred Questions and Answers	2333—54
Motion for Adjournment <i>re</i> Murder of Muslims near Kotwali, Chandni Chowk, Delhi—Postponed	2354
Message from the Council of State	2354
Election to Standing Finance Committee for Railways	2355
Election to Standing Committee for Department of Transport	2355
Recommendations adopted by 27th Session of International Labour Conference—Laid on the Table	2355—56
Report of Indian Government Delegation to Paris Session of International Labour Conference, 1945—Laid on the Table	2355—56
Election to Central Advisory Council for Railways	2357
Election to Standing Committee for Department of Labour	2357
Election to Standing Committee for Home Department	2357
Election to Standing Committee for Department of Information and Broadcasting	2357
Indian Finance Bill—Discussion on the motion to consider not concluded	2358—83

LEGISLATIVE ASSEMBLY

Thursday, 13th March, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Mr. G. V. Mavalankar) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS

ROAD ROLLER MISSION REPORT.

†901. ***Maharajkumar Dr. Sir Vijaya Ananda:** (a) Will the Honourable Member for Industries and Supplies be pleased to state if the Government of India propose to publish the Report of the Road Roller Mission?

(b) Is it a fact that the Mission recommended that except for the steam-boiler and diesel oil engine parts, the rest of the components of road rollers may be manufactured in India?

(c) Is it a fact that the D. G. I. S. D., London had been asked to place orders for 891 complete road rollers? If so, why?

The Honourable Sri C. Rajagopalachari: (a) Sir, I should like to take this opportunity to state the circumstances leading up to the appointment of the Road Roller Mission. During the war many road rollers were taken over for the construction of military and air force works. The burden of civil work, therefore, fell on smaller number of road rollers the lives of which were consequently shortened. During the war replacement was impossible. In the meantime vast postwar road development schemes had also been prepared. At the end of the war, therefore, an abnormal demand arose for 3,400 road rollers of which nearly 1,400 were required immediately. This should be compared with the normal annual demand of 200 to 300 road rollers per annum. The possibility of indigenous manufacture was considered. It was found that it was unlikely that such capacity would exceed 300 road rollers a year, i.e., the normal annual requirement. The problem, therefore, was to obtain as many road rollers as possible as quickly as possible. Simultaneously with this came up the question of utilisation of Ordnance Factories for civil production. It was decided to enlist the co-operation of some UK Road Roller Manufacturers to advise on the possibility of utilising the capacity of Ordnance Factories for this purpose. As a result of the investigations carried out by the Mission, arrangements were made with the UK firms to undertake the manufacture of 1,500 road rollers in co-operation with the Ordnance Factories and the Indian associates of these firms. I have placed on the table a copy of the Press Note which summarises the position. The Report of the Mission was in the nature of a preliminary survey intended for departmental use only and as it deals with Ordnance Factories, it cannot be published.

(b) The opinion expressed by the Mission was that, given the right technical guidance, the resources of Indian Ordnance Factories were more than adequate to deal with the manufacture of components and sub-components for the Road Rollers required by India.

(c) Yes, Sir. Originally, orders for 891 road rollers were placed; but when as a result of the recommendations of the Road Roller Mission, the scheme of part manufacture in India and part manufacture in the United Kingdom

† Answer to this question laid on the table, the questioner being absent.

materialised, the number was reduced to 250 for which commitments had already been made by the D.G.I.S.D., Blackpool. Subsequently an indent for another 60 road rollers was placed on a UK firm as these rollers were reported to be available and there were pressing demands from indentors for immediate supply. The immediate requirements of roads had to be met while we were reorganising the production in Ordnance Factories.

RESS NOTE

Road Rollers for India—Ordnance Factories and Indian Firms to produce technical information from U. K.

One thousand Steam and five hundred Diesel Road Rollers of the British type will be manufactured by Indian Ordnance factories and certain Indian firms in co-operation with manufacturers in the U. K., as a result of the recommendations of the Road Rollers Mission which visited India early this year and the negotiations carried on by the Government of India with the representatives of British concerns.

It is hoped that this will go a long way to meet the large demand for Road Rollers in connection with the Road Development Schemes of the Central and Provincial Governments and Indian States and pave the way for the eventual manufacture of complete units of road-making machinery in the country.

The entire scheme will cost about Rs. 4,40,00,000 nearly 40 per cent. of which will be incurred in the Indian Ordnance factories and the rest in Indian and associated British concerns. Deliveries are expected to start early next year for completion within two years.

The terms agreed upon provide *inter alia* that jigs, patterns, drawings, designs, and other technical information will be made available in the country and that such technical personnel and co-ordinating cells as may be required by the Ordnance Factories and other firms concerned will be provided by the contracting British firms.

The arrangements are that complete boiler and gear units in respect of steam rollers and engines and gear units in respect of Diesel rollers will be imported from the U. K. and the rest manufactured in the Ordnance factories and two Indian firms. Erection, assembly, commissioning and servicing will be done entirely in India.

A trial order for twelve Diesel road rollers is proposed to be placed on an Indian firm. Efforts are also being continued to locate capacity which will enable the manufacture of complete road rollers in India.

The visit of the Road Roller Mission, consisting of the representatives of the British Road Roller Industry selected by the India Office on the advice of the Board of Trade and the Federation of Contractors' Plant, was arranged by the Government of India in consultation with the Secretary of State. The Mission visited the various Indian Ordnance factories and reported to the Government on the possibility of utilisation of the plant, tools, personnel and the general facilities available. The Mission also discussed with the Government of India the terms on which the manufacturers in the U. K. would be prepared to co-operate with the scheme. Subsequently the present agreement was arrived at between the Government of India and the manufacturers in the U. K.

DEPARTMENT OF INDUSTRIES AND SUPPLIES,

New Delhi, August 1, 1946.

FALL IN PRODUCTION OF CLOTH, SUGAR, CEMENT, STEEL, ETC.,

902. *Mr. Manu Subedar: (a) Will the Honourable Member for Industries and Supplies be pleased to state whether it is a fact that production of all articles such as cloth, sugar, paper, cement, steel, kerosene, petrol and jute has considerably fallen in India, compared to the previous year?

(b) Do Government propose to lay on the table of the House a statement showing the figures of pre-war production of these articles and the production for 1945-46, and indicate to what extent production will be less during 1946-47?

(c) What are the principal reasons for the decrease in production?

(d) What steps are Government taking to reduce inflation by the method of increased production in the country?

The Honourable Sri C. Rajagopalachari: (a) The production of cloth, steel, kerosene and petrol fell in 1945-46 compared with the production of the previous year. The production of sugar, paper, cement and jute manufactures showed some increase.

(b) and (c). A statement is laid on the table. I have indicated therein the reasons for the fall in production.

(d) More than one party has to co-operate in order to increase production. Government are endeavouring to do everything in their power to increase the production of the commodities which are in short supply. For instance, the following steps have been taken in respect of various commodities.

Textiles.—(1) Regulation of types of cloth produced.

(2) Working of three shifts wherever possible.

And I should add, a more exacting enquiry into the possibilities of giving considerably greater quantity of yarn to handlooms in the homes of weavers.

Sugar—Forty-five new sugar factories are to be set up during the next five years

Paper—(1) Assistance in the procurement of raw materials, machinery, technical service, etc., is being afforded to the Paper Mills.

(2) Under the Paper Control (Production) Order, the production of paper by the Indian Mills has been restricted to certain specified varieties so as to secure the maximum output.

(3) The Technical Officers of the Directorate General of Industries and Supplies visit the paper mills from time to time and give whatever assistance may be possible.

(4) Advice and assistance are given to convert old uneconomic units into economic units.

Cement.—A big expansion programme, planned for completion by 1952, for the Cement Industry has been sponsored by the Government of India.

Steel.—Every effort is being made to supply the required quantity and quality of coal to the Steel Industry as this is the main obstacle to the utilisation of the full productive capacity of the Industry. Schemes for the expansion of the productive capacity are under way and the recommendations of the Iron & Steel (Major) Panel regarding the setting up of new works are under consideration.

Production of billets from scrap is being stepped up at the Metal and Steel Factory, Ishapore by changing the furnaces from acid to basic. A scheme for adding two more furnaces is under examination.

Kerosene and Petrol.—Search for new oil-fields, postponed during the war owing to the lack of equipment and technical personnel, is being resumed on a large scale.

Jute Manufactures.—The present manufacturing capacity is considered roughly adequate to meet the needs of the country and the present inflation is a temporary phase owing to the increased demand in connection with imports of food-stuffs.

Commodity	Production			Reasons for the fall in production during 1945-46 as compared with pre-war period
	Pre-war	1945/46	1946/47 (estimate)	
Sugar .	7,65,000 tons	9,50,339 tons	9,50,000 tons	
Paper .	54,000 "	1,08,000 "	1,06,100 "	
Cement .	15,11,900 "	20,75,300 "	20,75,300 "	
Petrol .	59,600 "	67,732 "	65,000 "	
Cloth .	5972 million yards.	6197 million yards.	5,500 million yards.	(1) Reduction of hours of shifts from 9 to 8, from August 1946. (2) Riots, strikes and lock-outs in producing centres. (3) Absenteeism among labour.
Steel .	7,35,000 tons	9,00,000 tons (calendar year 1946)	9,00,000 tons (calendar year 1947)	
Kerosene .	1,10,000 "	53,545 tons	46,716 tons	(1) Exhaustion of known oil-fields. (2) Increase in the production of allied articles, e. g., petrol, because raw material for petrol, Kerosene and other refined petroleum products is the same viz. crude petroleum.
Jute manufactures.	11,03,000 "	10,85,000 " (crop year July-June)	9,87,000 " (crop year July-June)	(1) Statutory limitation of working hours to 48 per week. (2) Shortage of labour and raw jute needed to permit Jute Mills to run a second shift.

Mr. Manu Subedar: Will the Government examine the question of giving bonus for increased production and also the question of giving bonus for extra work which the workmen may put in?

The Honourable Sri C. Rajagopalachari: The matter difficult as it is will be considered.

Mr. Manu Subedar: Have Government considered the proposals which I put at the time of the budget discussion, namely that some articles like cement, steel and timber are required both by Government and for private housing programme and will Government consider the question of suspending for a small period of two years import duties thereon? Of course there is not very much of these articles in the world which will come out, but it will probably help to smoothen the distribution of the existing commodities?

The Honourable Sri C. Rajagopalachari: That too will be considered, Sir.

Mr. K. C. Neogy: As shortage of coal and particularly of the right type of coal is responsible in many cases for the difficulties which the different industries are experiencing, is the Honourable Member in a position to state to the House as to when Government expect to give effect to the recommendations made by the Indian Coal Fields Committee?

The Honourable Sri C. Rajagopalachari: Sir, the position is clear enough, but to give effect to the proposals will take a gradual readjustment of the supply and movement of coal. Immediate change over being difficult—and it may produce dislocation of even the existing production,—we have to take a little more time than probably Honourable Members are prepared for. I think a certain amount of forbearance is necessary in regard to the time necessary for making these changes. The resources of coal are ample, but the difficulty is transport, chiefly, and the quality of coal necessary for metallurgical purposes. The conservation of that quality is receiving every attention on the part of Government. As to time it is difficult to tell, but I suppose if I say six months, it would be fairly correct.

Mr. K. C. Neogy: Is the Honourable Member's department in close touch with the Railway Department for the purpose of devising methods by which the bottle neck which the railway transport represents can be removed?

The Honourable Sri C. Rajagopalachari: I am trying to keep in touch with the Honourable Member for Transport who is hearing the question and we shall do everything possible to bring matters to proper working shape.

Mr. K. C. Neogy: What is the result of this co-operation so far?

The Honourable Sri C. Rajagopalachari: I think that if the Honourable Member put down a question on this to the Railway Member, it would be better answered by him.

Sri V. C. Vellingiri Gounder: With regard to production of sugar, there is so much difficulty about transport of sugarcane to the factory and especially in South India there is the difficulty of obtaining fuel also. Considering the decrease in the production of sugar, will the Government consider the advisability of giving proper value for sugarcane and also afford better transport facilities and also for increased supply of fuel for sugar factories?

The Honourable Sri C. Rajagopalachari: Here also I would recommend to the Honourable Member to put down a question for the Food Member and another question for the Transport Member.

Dr. Zia Uddin Ahmad: In view of the fact that shortage of coal is due primarily to transport difficulties, may I ask whether he has approached the Defence Department to release wagons which are not being used by them?

The Honourable Sri C. Rajagopalachari: The suggestion made has been heard by the Transport Member and he will answer if a question is put.

Pandit Lakshmi Kanta Maitra: Is it not a fact that kerosene today is not in short supply but on the other hand is abundant and that it cannot be supplied in adequate quantities because of lack of containers?

The Honourable Sri C. Rajagopalachari: It is not merely the question of containers. The raw material for kerosene, petrol, and crude oil is the same. There is a slight change-over from one to the other and that is perhaps the reason for shortage of kerosene.

Pandit Lakshmi Kanta Maitra: Is it not a fact that abundant quantities of kerosene have now come from Abadan in the Persian Gulf and it is not in short supply now?

The Honourable Sri C. Rajagopalachari: I should like to have notice of that question.

Mr. Manu Subedar: With regard to the increased demand of Government for their own departments of ten thousand tons of paper every year, may I know whether Government will adopt the suggestion made by the Standing Committee of the department that they should, as they said, negotiate for the import of this additional quantity of ten thousand tons from outside for their own purposes and not take it out of the very limited supply that is available for the non-official community?

The Honourable Sri C. Rajagopalachari: I understand the suggestion is that indigenous paper may be left for civil consumption and Government might earmark foreign paper for themselves. I am disinclined to set a bad example from the side of Government in this matter but the question will be considered.

Babu Ram Narayan Singh: May I know what the recommendation of the Coal Cess Committee is?

The Honourable Sri C. Rajagopalachari: I should like to have notice.

Pandit Lakshmi Kanta Maitra: Is it not a fact that there has been a persistent complaint from the public that vast quantities of metallurgical coal are being wasted? May I know if Government have taken any definite steps so far to prevent dissipation of this high grade metallurgical coal, as the question is being raised since 1942?

The Honourable Sri C. Rajagopalachari: Very definite steps have been taken to reduce the use by railways of metallurgical coal. But, as I said before, there are a few complications in making an immediate change-over and to reach the target of reduction in regard to the use of metallurgical coal on railways. It will take time; I am trying my best to get it done, and the Transport Member who is hearing these questions will certainly help in the matter.

GLIDING CLUBS IN INDIA.

903. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Communications Department please state the number of Gliding Clubs in India?

(b) What is the policy of Government towards gliding in this country?

(c) What steps are being taken by Government to encourage gliding in future?

(d) Are Government aware that there is a Gliding Club in Poona started by the Indian Gliding Association Ltd., having a beautiful site with hangars, gliders, etc.?

(e) If so, what encouragement was given by Government to this Institution in the past and what is going to be done in future?

(f) What was the subsidy given by Government to this Institution and for how long, and what is the subsidy sanctioned for the future?

(g) Was any amount included for gliding purposes in the budget for 1946-47, and what amount will be included in the budget proposals for 1947-48?

Mr. Masarrat Husain Zuberi: (a) There used to be one Club at Poona which is now defunct.

(b) and (c). The Government of India's general intentions relating to Gliding are outlined in para. 6 of the pamphlet on "Post War Planning—Aeronautical Training and Education" a copy of which is in the library of the House. Gliding is basically a sporting activity and the initiative must be taken by those who are interested in it. Government support will depend on the success achieved on the basis of local initiative.

(d) The Indian Gliding Association started activities on a site at Poona in 1941 with financial assistance from the Government of India, but the activities ceased in 1942. The hanger was a temporary structure. Government are not aware that the Association owns at present any serviceable gliders.

(e) and (f). In 1941 Government sanctioned a scheme costing about Rs. 1,17,000, including capital and recurring grants, for encouraging gliding, but, for various reasons, the scheme could not be put into effect and the activities had to be suspended in 1942. From 1941 to the end of 1946, Government granted financial assistance to the Association amounting to Rs. 55,807.

(g) No specific provision for financial assistance to "gliding" is included in the budget estimates for 1946-47 but an *ex-gratia* payment of Rs. 3,000 has been made to the Indian Gliding Association during the year. No specific provision has been proposed for subsidy to Gliding Clubs in the budget estimates for the year 1947-48.

Mr. Ahmed E. H. Jaffer: Assuming that this club is defunct—which I emphatically deny—is it a fact that the Director-General of Civil Aviation himself wrote to the Association to put the Association in cold storage because one of his inexperienced friends handled a glider and met with an accident?

Mr. Masarrat Husain Zuberi: I take it the Honourable Member is referring to the unfortunate accident in which one of the Senior officers of the Civil Aviation Directorate—and not a friend of the D. G. C. A.—was involved in 1942 and in which he lost both his eyes. That was a contributory cause. The glider which the officer was piloting and the other gliders purchased by the Association were purchased without expert advice from the D. G. C. A. But the closing down of their activities was due to the fact that the war in 1942 demanded that those activities should be diverted to more useful fields.

Mr. Ahmed E. H. Jaffer: Is it a fact that the Government of India gave no help to this Association and their attitude has been most unsympathetic, forgetting the fact that Hitler

Mr. President: The Honourable Member need not argue; he can only ask for information.

Mr. Ahmed E. H. Jaffer: I want to know if the attitude of the Government of India has not been very unsympathetic.

Mr. President: That is a matter of opinion. The Honourable Member may ask whether any help was given by Government, and if not, what the reasons were.

Mr. Ahmed E. H. Jaffer: May I know why no encouragement was given to this Association?

Mr. Masarrat Husain Zuberi: I have given information regarding the assistance given in the past and I have stated that the support of Government to gliding will depend on the initiative shown by local enterprise. I think this is a form of activity in which those who advocate private enterprise should show some enterprise.

Mr. Sasanka Sekhar Sanyal: Is it a fact that some of the universities have from time to time asked the Government of India to make arrangements for gliding facilities for them?

Mr. Masarrat Husain Zuberi: I shall require notice of that question.

Mr. Yusuf Abdoola Haroon: Is this not one of the ways to make Indians air-minded?

Mr. Masarrat Husain Zuberi: Expert advice does not support that view.

Mr. Ahmed E. H. Jaffer: With regard to the Honourable Member's statement that gliding is basically a sporting activity, is the Honourable Member aware of the fact that Hitler invaded various islands as a result of gliding enterprise?

Mr. Masarrat Husain Zuberi: With what results!

Mr. President: Order, order; next question.

IMPORT OF MOTOR CARS FROM U. K. AND U. S. A.

904. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable Member for Transport please state how many motor cars have arrived in India during the half year ending December 1946 from different countries, stating separately the number received from England and the United States of America?

(b) How were these distributed and what was the number distributed to each Province?

(c) Is it a fact that in certain Provinces in India the permit system has been abolished? If so, what are the reasons therefor?

(d) In what Provinces has this been done?

(e) What are the Provinces where the permit system is still in force and what are the reasons for continuing this system in certain Provinces, while it has been discontinued in certain others?

(f) Is it a fact that in Provinces where there is no permit system, motor dealers are doing black-marketing in selling new cars disregarding the control prices fixed by Government? If so, what steps do Government propose to take to see that black-marketing is avoided and cars are sold at control prices?

(g) Is it a fact that Members of the Constituent Assembly were offered new cars, whereas Members of the Central Legislature have not been so offered?

(h) What are the reasons for this differential treatment between Members of these two bodies?

The Honourable Dr. John Matthai: (a) Information showing the total number of motor cars which arrived in India during the half year ending December 1946 is not yet available. During the half year ending 30th September 1946, 8,771 motor cars arrived in India, of which 2,688 came from the United Kingdom, 285 from the United States of America and 798 from Canada.

(b) Allocations to Provinces and Indian States were made on the basis of statements of expected shipments of motor vehicles furnished by importers month by month. Out of the expected shipments of 3,714 motor cars during the six months ending September 30th, 1946, 3,499 were allocated to Provinces and Indian States on the basis of vehicle census figures and the distribution is given in a statement which is laid on the table. The balance of 215 cars which was not allocated was not reported until the end of September, and there was insufficient time to arrange for the allocation of this number before the 1st of October, 1946, on which date control was lifted.

(c), (d) and (e). The Honourable Member is presumably referring to control over distribution of motor vehicles, whereby permits to purchase motor cars were issued under control orders published under the provisions of the Defence of India Rules. With the lapse of the Defence of India Rules, the power to control distribution and price of motor cars vested in the Provincial Governments, and it was for each Provincial Government to decide whether or not to reimpose such control. Control has been reimposed in the Punjab, Assam and the N. W. F. P., Madras continued control for some months but is now understood to have discontinued it.

(f) The Honourable Member is referred to the reply given on February the 17th, 1947, to question No. 335 by Sardar Mangal Singh.

(g) and (h). A special pool of new motor cars was reserved for members of the Constituent Assembly (including those who were members of the Central Legislature also) who did not possess cars and who had attempted without success to obtain permits from Provincial or State Motor Transport Controllers of the Province or State concerned. The decision to reserve these cars was taken on August the 22nd, 1946, at which time the distribution control had only a short period in which to run, and it was considered that members of the Constituent Assembly, who were expected to have to spend the greater part of the year in Delhi, would need special facilities to purchase motor cars for their use.

Statement showing the allocation of cars that were expected in the country during the period April to September 1946

Name of Province or State	Country of origin		
	U. K.	U. S. A.	Other countries
<i>Provinces.</i>			
Bombay	406	35	123
C. P. & Berar	83	5	24
Bengal	393	48	68
Bihar	106	7	40
Assam	60	5	38
Orissa	20	2	8
Madras	282	26	127
Punjab	126	13	47
Delhi	105	43	35
U. P.	141	14	43
Sindh	148	11	18
Baluchistan	36	2	8
N. W. F. P.	23	1	10
Ajmer-Merwara	19	1	7
Cooorg . . . . .	...	...	1
	1,948	213	597
<i>Indian States.</i>			
Hyderabad	63	6	28
Kolhapur & Deccan States	12		7
Baroda Western India & Gujrat States	91	1	21
Mysore	92	5	34
Madras States	57	2	16

Name of Province or state	Country of origin		
	U. K.	U. S. A.	Other countries
Punjab States	10	2	10
Rajputana States	133	1	9
Eastern States	15	2	1
C. I. States	54	2	16
Gwalior, Rampur and Benares States	20		9
Jammu & Kashmir	8	1	11
Kalat	1		
Sikkim	1	...	...
	557	22	162
Total	2,505	235	759
	...	3,499	...

Note.—Twenty five per cent extra was allocated to Delhi over and above the quantity which would have been due to this Province according to the Vehicle census, on account of the larger official population as compared with the small size of this Province.

Seth Govind Das: Is it a fact that since this control has been lifted the prices of cars have increased so much that black-marketing is going on and nobody is able to get cars at the prices which are fixed by the producers?

The Honourable Dr. John Matthai: I understand that prices higher than control prices have been charged in certain cases but the remedy, I think, is in the hands of purchasers themselves because the control prices are announced from time to time in newspapers and if anybody is charged higher than the control price I think he ought to report it to the distributor concerned and to the Motor Dealers Association.

Mr. Ahmed E. H. Jaffer: In view of the fact that black-marketing in new cars is going on in Delhi under the very nose of the Honourable the Transport Member, may I know whether he is prepared to reconsider the question of re-introducing permit system at least in the province of Delhi.

The Honourable Dr. John Matthai: The general question of re-imposing control raises rather difficult constitutional points because if the Central Legislature is to acquire powers for resuming control, it would be necessary to put through parliamentary legislation vesting the Central Legislature with that authority, but motor cars are not one of the articles which are included in the parliamentary legislation which was put through in February 1946. Recently a reference was made to the Secretary of State to include further articles in this legislation, but the Secretary of State has replied that there is not enough parliamentary time for putting through legislation. As regards the particular point which my Honourable friend raised, it is open to the Chief Commissioner of Delhi Province to re-impose control if he likes, but personally I think this control would be ineffective because the two maritime provinces of Bombay and Bengal, which are primarily concerned with import, have no control and the neighbouring province of U. P. has no control, so any control which may be introduced by the Chief Commissioner of Delhi is not likely to be effective.

Mr. Ahmed E. H. Jaffer: Assuming that the Chief Commissioner of Delhi re-introduces control, is it not a fact that cars arriving in New Delhi will be sold to *bona fide* buyers under a system of permit? How does the Honourable Member say that it would not be operative?

Mr. President: It is a matter of argument.

Mr. Yusuf Abdoola Haroon: With reference to the Honourable Member's reply to part (h) of the question, the Honourable Member stated that a certain number of cars were reserved for members of the Constituent Assembly and Central Assembly. May I ask whether these cars were reserved only for members of the Constituent Assembly who were also members of the Central Assembly or for members of the Central Assembly also, because no such circular has been circulated to members of the Central Legislature?

The Honourable Dr. John Matthai: A special pool of new motor cars was reserved for members of the Constituent Assembly many of whom happen to be members of the Central Legislature.

Mr. Ahmed E. H. Jaffer: In view of the fact that many of us cannot get new cars, may I ask whether the Honourable Member would be prepared to consider the question of allotting a certain number of cars to such members who need them from the stock which is lying with the Disposals Department?

The Honourable Dr. John Matthai: I should like to look into that question, although I am not sure whether any action can be taken.

Shri Sri Prakasa: Will the Honourable Member give us an idea of the amount of money that will be sent out of the country in purchasing these cars and if he is satisfied that car is such a useful thing that so much money can safely be sent out for it?

(No reply was given.)

Mr. Yusuf Abdoola Haroon: He has got a new car.

Shri Sri Prakasa: No, I have not.

IMPORT OF PETROL.

905. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable Member for Transport please state separately the number of gallons of petrol imported into India during the first and second halves of the year 1946, giving the names of the countries and the quantity imported from each of them?

(b) What is the number of gallons expected to be imported into India during the first half of the year 1947?

(c) Is it a fact that the petrol situation in India has improved in view of the demand of the military having been considerably reduced?

(d) If so, what is the reason for continuing petrol ration in India?

(e) How long will this continue?

(f) Are Government aware that the shortage of petrol for civil consumption is regarding the resumption of peace time activities in commerce and industry, and if so, do Government propose to review the whole question?

(g) What are the difficulties on account of which the control continues, and what steps are being taken to overcome such difficulties?

(h) Is it not a fact that control has been lifted in some other belligerent countries?

(i) Are Government aware that the Honourable Members of this House do not receive any petrol when the Assembly and Select Committee meetings are not in session? If so, what are the reasons therefor?

The Honourable Dr. John Matthai: (a) Iran—1st half of 1946, 482,22,670 gallons, 2nd half 394,05,960 gallons; Bahrein Islands—1st half 1946, 143,48,040 gallons, 2nd half 88,06,790 gallons.

(b) 760,75,550 gallons.

(c) Yes, but the reduction in military offtake is not sufficient to bridge the gap between the present rationed consumption and the estimated unrationed demand.

(d) The reasons are substantially the same as those explained in the Press Note published on the 3rd August, 1946.

(e) It is not at present possible to give any indication of the date from which it will be possible to withdraw petrol rationing.

(f) Yes. The question is constantly under review and petrol rationing will be discontinued as soon as circumstances permit.

(g) The present limiting factors are inadequate transport capacity and storage facilities within the country. Every effort is being made to overcome these difficulties.

(h) Government understand that certain of what were formerly belligerent countries have withdrawn petrol rationing, but except in the case of America, there are believed to be other factors which virtually operate to restrict the amount of petrol used.

(i) It is presumed that by 'petrol' is meant the supplementary, as opposed to the basic, ration of petrol. From the beginning the supplementary ration allowed to Honourable Members has been calculated on the basis of the number of days on which the House will sit or the Honourable Member concerned will have to attend a Committee meeting, but it is now being considered whether calculation on a flat monthly basis during the session would not be preferable.

Seth Govind Das: Can Government give any approximate date by which Government can at least expect to remove this control on petrol?

The Honourable Dr. John Matthai: I am afraid I am not in a position to indicate any exact date.

Seth Govind Das: Approximate date.

The Honourable Dr. John Matthai: Even an approximate date I should not commit myself to. The whole thing depends on the provision of transport facilities. What we are doing now is to arrange for the importation of sufficient tank wagons, and I expect fair quantities of these wagons to be delivered from the beginning of 1948, but it will not be possible immediately after that to remove the control.

Mr. Ahmed E. H. Jaffer: In view of the fact that larger quantities of petrol are expected in the first half of 1948, as the Honourable Member has said, may I know whether he is prepared to consider the question of increasing substantially the basic ration of petrol?

The Honourable Dr. John Matthai: The position is that at present the quantity of petrol which is consumed in the country under the rationing system is considerably higher than pre-war consumption. Our estimate is that if you increase the ration or if you remove the control, the demand would be such that it would be difficult to meet it out of the expected supplies.

Mr. Ahmed E. H. Jaffer: With reference to the Honourable Member's reply to part (i) of the question, and in view of the fact that Honourable Members of this House do not sit at home when the Assembly is not in Session, may I know why they should not be given supplementary ration on those days when the Assembly is not in Session?

The Honourable Dr. John Matthai: That is the sort of basis on which we are attempting to revise the ration to Honourable Members.

Mr. Yusuf Abdoola Haroon: May I know from the Honourable Member whether this decision will take place after the session is over and before the next session takes place so that by that time the Government will have removed the control entirely?

The Honourable Dr. John Matthai: I will try to expedite it.

Mr. Manu Subedar: If the major difficulty is that of tank wagons, may I know why Government will not try and relax if not remove altogether the control at the principal ports, where, I understand, the supply of petrol is available in adequate quantities.

The Honourable Dr. John Matthai: I am not sure that will solve the problem that we are considering.

Mr. Yusuf Abdoola Haroon: May I know from the Honourable Member whether he has enquired from the ports if there are some times tankers waiting to unload their petrol, because they have no other capacity and they have to wait for ten to fifteen days till the capacity is available?

The Honourable Dr. John Matthai: I am not worried about the question of tankers: I am worried about the question of tank wagons.

Mr. Vadilal Lallubhai: Is it a fact that at the ports there is not enough storing capacity?

The Honourable Dr. John Matthai: That is also quite true.

Mr. Vadilal Lallubhai: If that is a fact, will the Honourable Member see that the control in ports is removed?

The Honourable Dr. John Matthai: It is not possible to remove the control in one place and retain it in another.

Shri Sri Prakasa: In view of the fact that any amount of petrol can be had by anyone who needs it in the blackmarket, would the Honourable Member kindly explain the value of the control that has been imposed?

The Honourable Dr. John Matthai: My view with regard to many forms of control is that by retaining control you are choosing the lesser evil of the two.

REMOVAL OF CONTROLS ON FOOD, CLOTH ETC.

906. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Food Department please state the approximate time when controls on food, cloth and other necessities of life will be removed?

(b) What steps have been taken by Government to stop corruption resulting from these controls?

Mr. K. L. Panjabi: (a) The existing controls over foodgrains and other essential commodities will have to be maintained so long as the present acute shortages last. It is not possible to say with any degree of certainty when the necessity for these controls will disappear, but they are constantly under review and a number have recently been removed or relaxed. For example, silk and wool have been de-controlled completely, and the control over newsprint has been relaxed. The control over certain oils and oilseeds has been removed with effect from the 5th March 1947.

(b) As the Honourable Member is aware a bill for the more effective prevention of bribery and corruption has already been passed by the House during this Session.

Mr. Yusuf Abdoola Haroon: May I know from the Honourable Member whether these controls are removed after consulting the trade?

Mr. K. L. Panjabi: All considerations are taken into account.

Mr. Yusuf Abdoola Haroon: My question was whether these controls are removed not after consideration as the Honourable Member has replied but after consulting the trade organisations, such as the Indian Merchants' Association or the Muslim Chamber of Commerce?

Mr. K. L. Panjabi: There is no specific consultation provided but we have certain advisory bodies on which both the trade and the consumers are represented.

Seth Govind Das: Will the Government consider the question of removing all controls except those on foodstuffs and cloth?

Mr. President: I believe there is a cut motion on this subject and the Honourable Member will get a full statement at that time.

Shri Mohan Lal Saksena: May I know what has been the effect of the removal of the control on oilseeds on the prices of oilseeds?

Mr. K. L. Panjabi: In some areas the prices have gone up and in others they have shown a downward tendency.

Dr. Zia Uddin Ahmad: May I know whether the Honourable Member has realised that in reply to the question he is now making the fallacy called *petitio Principii* (arguing in circles). You say that the control should continue so long as there is shortage and we say that the shortage will continue so long as the Food Department continues to exist.

Mr. President: Next question.

SECURITY ARRANGEMENTS OF THE CASH AND PAY DEPARTMENT OF THE O.T. RAILWAY

907. *Pandit Sri Krishna Dutt Paliwal: (a) Will the Honourable Member for Railways please state whether the newly appointed Financial Adviser and Chief Accounts Officer of the Oudh and Tirhut Railway was responsible for laying down rules of procedure and giving directions for 'Security Arrangements' as a result of the change in the management and organisation of the Cash and Pay Department? If not, who was the officer responsible for seeing to the security arrangements for the custody of cash safes reaching Gorakhpur Railway Station with the earnings of the Railway?

(b) Is it a fact that on or about May 1946 the earnings of a large number of stations aggregating about Rs. 50,000 (fifty thousand only) were stolen while the cash safes were stored in the station building without guard? If so, what are the details of the occurrence and what action has been taken against those responsible for it?

The Honourable Dr. John Matthai: (a) Presumably the Honourable Members's reference to security arrangements relates to the custody of travelling cash safes. If so, the change in the management and organisation of the Cash and Pay Department on the O. T. Railway involved no change in those arrangements. The Commercial Department of the O. T. Railway was responsible for them.

(b) No. The amount lost was Rs. 20,351-0-6.

The cash safe in question arrived at Gorakhpur on the 23rd May 1946 and after examination of the seals was stored by the Assistant Station Master, Cash, in the Station Strong Room, which is at the west end of the station building and adjoins the Assistant Station Master's office. The entrance to the Strong Room is barred and a chowkidar is posted on duty day and night outside the Strong Room. When the Cash safe was opened on the morning of the 24th May 1946, it was found that the twine binding the cash bags with the station seal had been cut and the cash from 31 stations amounting to Rs. 20,351-0-6 was missing. The police were not able to trace the culprits.

The disciplinary action to be taken against the staff responsible is under consideration.

Sri M. Ananthasayanam Ayyangar: May I know whether in this railway the cash and pay department is operated by the railway itself?

The Honourable Dr. John Matthai: Yes, by the Railway.

Sri M. Ananthasayanam Ayyangar: If that is so, may I know whether the cash deposit or the daily collections are not despatched to the head office day to day?

The Honourable Dr. John Matthai: Yes, they are despatched every day to the cash office. On the O. T. Railway I believe there is only one cash office, which is located at Gorakhpur.

Sri M. Ananthasayanam Ayyangar: Did the theft occur in the cash office itself?

The Honourable Dr. John Matthai: It occurred at Gorakhpur Station.

THEFT OF RAILWAY EARNINGS AT ALLAHABAD AND GORAKHPUR

908. *Pandit Sri Krishna Dutt Paliwal: (a) Will the Honourable Member for Railways please state whether it is a fact that a theft of Railway earnings similar to that which occurred at Gorakhpur and which is referred to in the preceding question occurred at Allahabad also at about the same time?

(b) Were both these cases reported to the Railway Board and if so, when?

The Honourable Dr. John Matthai: (a) A theft of railway earnings occurred at Allahabad on the 12th March, 1946.

(b) Yes; on the 25th May, 1946 and 20th March 1946 respectively.

SHORTAGE OF PASSENGER TICKETS ON O. T. RAILWAY

909. *Pandit Sri Krishna Dutt Paliwal: (a) Will the Honourable Member for Railways please state if Government are aware that on the Oudh and Tirhut Railway there was shortage of passenger tickets on many sections between March and October, 1946 and that tickets were issued on animal way bills, luggage way bills, excess fare receipts and that finally when these books were exhausted, passengers boarded train without tickets or tokens of any kind?

(b) Is it a fact that in numerous cases tickets for as many as 60 to 80 passengers were issued on one luggage way bill or animal ticket?

(c) Are Government aware that such bookings render checking impossible and for this reason a blank paper ticket on that Railway is limited to five persons only?

(d) Is it a fact that the loss to the Railway by these irregular bookings and travelling without tickets amounts to several lakhs?

(e) Do Government propose to investigate the matter and make a statement of the total loss?

The Honourable Dr. John Matthai: (a) Government are aware that owing to circumstances beyond the Railway's control, printed passenger tickets were in short supply on the Oudh Tirhut Railway between March and October 1946 and that in consequence paper tickets had to be issued. Government are not aware that passengers were allowed to travel without tickets.

(b) Yes, in a few cases paper tickets had to be issued to groups of passengers numbering from 60 to 80.

(c) Government appreciate that ticket checking is rendered extremely difficult by the issue of paper tickets covering a large number of passengers, and in normal circumstances this is not permitted.

(d) and (e). It is possible that some passengers were able to evade payment and some loss was caused to the Railway on this account. Loss arising from evasion of payment of fares by ticketless passengers who escape detection cannot, however, be evaluated with any precision but I will examine the possibility of arriving at an approximate estimate.

Shri Sri Prakasa: May I know if any steps were taken to put these groups of 60 or 80 persons who had been given jointly one single ticket, in one compartment and if they got separated what steps did Government take to bring them together.

The Honourable Dr. John Matthai: The point really centres on the question of ticketless travellers. I am not aware what exactly was the arrangement with regard to the accommodation of these passengers.

Pandit Sri Krishna Dutt Paliwal: With reference to the Honourable Member's reply to part (a) of the question, may I know what were the special circumstances which led to the shortage of passenger tickets?

The Honourable Dr. John Matthai: The real reason was that there was a large increase of passenger traffic during the past two or three years and the railway printing presses, which were working with old and tired machines, were not able to cope with the extra work. What we have done since then is to order more machines, work the existing machines in two and sometimes in three shifts, and also to enlist the services of private presses.

Pandit Sri Krishna Dutt Paliwal: Will the Government enquire whether passengers boarded trains without tickets or any other tokens?

The Honourable Dr. John Matthai: We have no definite information but I agree with the Honourable Member that it is quite possible that ticketless travelling occurred during this period.

Shri Sri Prakasa: With reference to my supplementary question, will you permit me, Sir, to explain. Sixty to eighty persons are grouped together and a single Joint paper ticket is issued for all. They subsequently get separated while travelling. What I wanted to know was whether Government or the Railway Administration concerned, take any steps to try to keep this group that has been given a single ticket in one place on the train; and if they get separated what efforts do they take to bring them together. If some are left behind what steps do they take to take them to their homes?

(No answer was given.)

Sri M. Ananthasayanam Ayyangar: May I know whether this deficiency has been made up or if the deficiency is still existing, whether it is universal on all railway administrations and how long this deficiency will continue?

Mr. President: I think this question was discussed fully during the general discussion on the Railway budget, when the position regarding the shortage of tickets was explained. There is no use pursuing the matter again on every occasion.

Mr. M. A. F. Hirtzel: May I know whether in view of the emergency measures taken by the Honourable Member tickets are now made available in adequate quantities?

The Honourable Dr. John Matthai: I think the position has very greatly improved.

SALE BY DISPOSALS DEPARTMENT OF GALVANISED PIPES AND BENDS

910. *Mr. Manu Subedar: (a) Will the Honourable Member for Industries and Supplies be pleased to state how much in book value, did the Disposals Department have in galvanised pipes, bends and connections, how much has been disposed off, and how much still remains?

(b) In view of the extreme shortage of building material, do Government propose to consider the desirability of selling these galvanised pipes and bends only to those who are actually building?

The Honourable Sri C. Rajagopalachari: (a) The book value of galvanised pipes, bends and connections declared for disposal, disposed of and still available for disposal is Rs. 4,81,478; Rs. 40,120 and Rs. 4,41,858 respectively.

(b) Galvanised pipes and fittings are controlled and their distribution is regulated under the provisions of the Iron and Steel (Control of Production and Distribution) Order, 1941. That is to say, issues are made against permits to

ultimate users on certification of essentiality of demand by Central, Provincial or States Governments. At present no releases are being made to dealers or merchants.

Mr. Yusuf Abdoola Haroon: May I know whether these releases are made first to the Provincial Governments and if they refuse then they are released to the public?

The Honourable Sri C. Rajagopalachari: There are priorities well understood which have been explained more than once, as to the respective claims of Government, States, public and so on. That is being followed here too.

Mr. Yusuf Abdoola Haroon: Part (b) of Mr. Subedar's question was whether in view of the shortage of the building materials for the use of the public it would be possible for the Honourable Member to release all these materials immediately for the use of the public.

The Honourable Sri C. Rajagopalachari: The suggestion is, I understand, that private building should be given priority over everything else. It is impossible to do that. The priorities have been fully considered on their merits and fixed and I do not think that any case has been made out for alteration. The public demand for housing comes through the provincial quota for that purpose.

Seth Govind Das: Are Government aware that even the Provincial Governments are not getting their full quota and there is complaint in this respect at least from my province, the Central Provinces?

The Honourable Sri C. Rajagopalachari: On account of the shortage of supply, the quota allotted for public consumption through the Provincial Governments has not been fully satisfied recently, but every effort is being made to reach up to the quotas.

Sri V. C. Vellingri Gounder: With regard to the supply of galvanised pipes, bends, fittings, etc., may I know whether more difficulties are not felt by the agriculturists for meeting the needs of their agricultural operations such as pumping and water supplies requiring these things, and whether no supply has been secured for them for the last one year through the Government of Madras?

The Honourable Sri C. Rajagopalachari: The primary question was with reference to quantities administered by the Disposals Department. The present question is more extensive and is intended to cover all supplies in the matter of steel and iron. The answer is this, Sir. There was recently a conference in which the claims of the Agricultural Department, who represented the claims of the rural population just now referred to by the Honourable Member, were fully considered, and a satisfactory arrangement has been made by which the rural population gets a fair and adequate quota out of the amount available.

Sreejot Rohini Kumar Chaudhuri: May I know whether provincial quotas have been fixed for the distribution of these materials or whether they are given to the Provinces where they are lying?

The Honourable Sri C. Rajagopalachari: I would like to know, Sir, whether he is referring to the disposals matter or to the general supplies.

Mr. President: The Honourable Member is referring to disposals.

The Honourable Sri C. Rajagopalachari: They are not disposed of wherever they are lying. They are taken as a whole and disposed of by the Department after examining all prior claims.

Sreejot Rohini Kumar Chaudhuri: I wanted to know whether they are distributed among the Provinces and whether some quota is fixed for each Province.

The Honourable Sri C. Rajagopalachari: This is given outside the quota fixed for the Provinces, Sir.

Sri V. C. Vellingri Gounder: Does the arrangement satisfy the Agriculture Department?

The Honourable Sri C. Rajagopalachari: The Agriculture Department made a long list of claims and they were examined interdepartmentally at great length, and the impression left in my mind is that it was a satisfactory arrangement.

DISPOSAL BY GOVERNMENT OF TEXTILES, CLOTHING, ETC. DIRECT TO THE CONSUMING PUBLIC

911. *Mr. Manu Subedar: (a) Will the Honourable Member for Industries and Supplies be pleased to state how much in book value did Government have of textiles, clothing and wearing apparel, whether ready-made or otherwise and how much has been disposed of, and how much still remains?

(b) Have Government considered the desirability of making these available to the consuming public direct, instead of letting such materials go into the hands of merchants?

(c) If not, do Government propose to open depots or appoint agents for the disposal of these things directly to the consuming public?

The Honourable Sri C. Rajagopalachari: (a) A statement showing the position of Disposals Textiles as on the 15th February 1947 is laid on the table.

(b) Yes, Sir. In the case of all items except cloth suitable for the civil market it is found that sales through Provincial and State agencies will be impracticable. The Government of India therefore do not propose to make any change in the present method of disposal of textiles. Provincial Governments and States through whom cloth suitable for the civil market is being disposed of will no doubt take steps to make it available to the consuming public in the manner best suited to the Province or State.

(c) In view of what has been stated Government do not propose to open depots or appoint agents for direct sale.

Disposal position on 15th February 1947

	Tot.l reported		Tot.l sold		Total unsold balance	
	Quantity	Book value in crores	Quantity	Book value in crores	Quantity	Book value in crores
Clotl.	{ (a) 57769807 yds. (b) 61776125 yds. }	4.3184	46945173 yds.	3.4520	10824634 yds.	.8664
Duck/C. nvs	9247980 yds.	1.4538	59925403 yds.	1.4110	1850862 yds.	.0428
G r.nents	14035024 nos.	1.7031	4272377 yds.	0.7500	4975603 yds.	.9531
Y rn	17300000 lbs.	2.1638	6068516 nos.	0.8396	7966508 nos.	1.3242
Sewing T.re.d	10640102 reals.	0.2800	1291505 lbs.	0.1980	438495 lbs.	0.082
Webbing, T.pe, New.r, Cor.d.ge.		0.6470	3390680 reals.	0.2000	7249122 reals.	.447
Grand Tot.l	.....	12.3919	.....	8.2124	.....	4.1795

(a) Cloth suitable for civil market.

(b) Other cloth.

Mr. Manu Subedar: Are Government aware that vests and drawers sold by the Disposals Department at 4 annas and 5 annas are being sold at Rs. 1-8-0, Rs. 2 and Rs. 3 in the retail market; and if that is so, would Government, for the balance of such ready-made clothing that may be with them, consider the desirability of opening a sales depot at principal centres and let the public buy at 4 annas and 5 annas or even at a higher rate making provision for the charges of disposal and distribution?

The Honourable Sri C. Rajagopalachari: Sir, the question of disposals should not be dealt with on only one ground in this manner. The aspect of speed is far more important in the matter of disposal of these surplus stores.

With regard to the particular kind of material referred to by the Honourable Member, I should like to give these facts so that the position may be understood. There is an outstanding of about eight million in numbers of this category of made-up garments valued at approximately Rs. 1.32 crores. Four million numbers of this are covered by the Report for Khaki Drill Shorts worth approximately Rs. 90 lakhs. Out of this quantity, approximately 1,200,000 have been accepted by the Provinces. Against the balance of 2,800,000 approximately 6,000 have been sold through the shop window. The balance has been offered to the purchaser of Twill striped shirts at our reserve price of Rs. 3 or above. The balance of garments have already been put out in an all India tender by advertisement. It has been agreed that subject to the price being fairly reasonable, the highest tender should be accepted. If, however, in the opinion of the Textile Commissioner and his Joint Financial Adviser prices of certain items are ridiculous they would negotiate with a view to getting higher prices. If the garments will not be saleable in India, they will be offered for export on the same lines as canvas.

I might add this, that it is possible to make a very good bargain if I sit at the shop window and sell them all one by one. But it will take at least a few years before we come to the end of this disposals business. It is not possible. We have to deal through the trade and those who will finance and distribute it. Whatever evils exists in the matter of distribution in other lines they apply to this also.

Mr. Manu Subedar: Talking of speed of sale, have Government considered that when the material is sold to a trader by highest tender, the quantity that is sold is withheld from the market, because these materials are capable of being stocked for two or three years, and that the aspect which strikes us in this House is that this ready-made garment should be made available for the direct user as early as possible, and whether Government cannot now reconsider their policy with regard to the disposal of these ready-made garments so that they could reach, at the earliest possible moment, the hands of the man who is going to wear it?

The Honourable Sri C. Rajagopalachari: I do not wish to be a party to converting Question Hour into a debate. Sir, I have great respect for the Honourable Member, but the matter will have to be looked into and cannot be easily disposed of by an answer.

Seth Govind Das: Is it not a fact that the lower staff generally fixes the price of this material? It is well known that Government is in a hurry to dispose of these things and so bribery is going on as far as the lower staff is concerned?

The Honourable Sri C. Rajagopalachari: The allegations may be true up to a small percentage but I repudiate the general suggestion.

PERCENTAGE RISE IN PRICE OF IMPORTED PLANT AND MACHINERY AND LOCOMOTIVES AND WAGONS

912. ***Mr. Manu Subedar:** (a) Will the Honourable Member for Industries and Supplies be pleased to state whether Government have compared the prices

of materials, that were imported before the War, with those at which they are now imported, with reference to (i) Plant and Machinery for textiles, (ii) Plant and Machinery for other trades and (iii) Railway Locomotives and Wagons?

(b) If so, what are the relative figures and what is the percentage of rise in the prices of these categories?

The Honourable Sri C. Rajagopalachari: (a) and (b). Two statements giving the required information in respect of (1) Plant and Machinery for other trades and (2) Railway locomotives, are laid on the table of the House.

No orders for railway wagons have been placed since the end of the war and hence the question of the comparison of the pre-war and present prices does not arise.

As regards plant and machinery for textiles, it is not possible to give figures for each type of machinery imported, as numerous parts are involved. In the case of spinning machinery which is the most important item of cotton textile mill equipment, the information is that prices ruling now are approximately 165 per cent. above the prices ruling in 1939. This figure is based on the average prices of the various items of machinery involved and may be taken as representative. The increase in the prices of looms varies from 100 to 150 per cent. over 1939 prices according to the types of the looms.

STATEMENT I.—Plant and Machinery for 'Other Trades'

S. No.	Item	Pre-war price	Post-war price	Rise
		approx	approx	
		Rs.	Rs.	
1	Road Rollers	15,500	29,000	87·1%
2	Concrete Mixers	3,525	6,200	75·9%
3	Oil Engines	3,365	4,450	29%
4	Electric Fans	88	134/8/	51%
5	Electric Motors	576	700	21%
6	Lang 8" Centre Lathe	9,470	18,716	97·7%
7	Churchill Redman 9" Centre Lathe	6,640	11,295	70·1%
8	Dean Smith & Grace, 8½' × 8' Lathe	7,525	15,520	106·2%
9	Dean Smith & Grace 10" × 10' Lathe	8,595	16,850	96%
10	Dean Smith & Grace 12" × 10' Lathe	12,675	26,625	110%
11	Herbert No. 4 Capstan Lathe	7,100	10,785	52%
12	Axle Journal Returning Lathe	23,475 (Noble & Lund)	33,660 (Oilfield & Schofield)	43·4%
13	Canadian Machinery Corporation Crank Pin Turning Machine	48,700	82,180	68·7%
14	Butler 24" Axle Box Planing Machine	16,542	29,964	81·2%

S. No.	Item	Pre-war price approx	Post-war price approx	Rise
		Rs.	Rs.	Rs.
15	(a) Butler Plainer 10' x 3' 6" x 3' 6"	42,386	63,270	} 49%
	(b) Stirk Plainer 10' x 3' 6" x 3' 6"			
16	Butler 18" Stroke Crank Shaper	4,182	7,184	71·8%
17	K. & W. 3' 6" Radial Drilling Machine	5,760	8,120	41%
18	Asquith 4' 6" Drilling Machine	8,400	11,332	35%

Note:—As 'Other Trade' is too wide a term, information in respect of a few random samples alone is given.

Statement II—Railway Locomotives

Locomotives ordered and received pre-war, from the U. K.		Locomotives of comparable types ordered from abroad post-war		Rise in cost
Class of loco	Average cost per ton of weight of the erected loco	Class of loco on order	Estimated cost per ton of the weight of the erected loco	
1	2	3	4	5
	Rs.		Rs.	
XP	1405	W. P. Passenger Broad Gauge (from U. S. A.).	3703	164%
XP	1405	W. P. Passenger Broad Gauge (from U. K.).	3110	121%
HPS	1059	Besa 4-600 Passenger Broad Gauge (from U. K.).	3158	198%

Note:—It is usual these days to include an escalator clause to cover fluctuations in price levels etc. Therefore, if manufacturing costs rise, the costs shown in col. 4 will also be higher.

Mr. Manu Subedar: In view of the fact that it is reported that in foreign countries and more particularly in the U. K. there are consultations and pooling of prices to be quoted to the trade in such cases as the textiles, the printing trade and so on, will Government consider whether the Indian purchases could also not be pooled with a view to gain some bargaining power and prevent more money going out than is necessary?

The Honourable Sri C. Rajagopalachari: Yes, Sir, the question will be considered but I warn the Honourable Member that it may cause delay and private industrialists may object to it also.

INCREASE IN THE PRODUCTION OF CLOTH

913. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable Member for Industries and Supplies please state the present state of the Textile Industry in India and what steps Government propose to take for increasing the production of cloth in the country?

(b) What are the factors which have contributed to the fall in production in recent months?

The Honourable Sri C. Rajagopalachari: The attention of the Honourable Member is invited to the reply given by me on the 17th February 1947 to Question No. 340 asked by Shri D. P. Karmarkar.

OIL EXTRACTING FACTORIES IN INDIA

914. *Shri D. P. Karmarkar: Will the Secretary of the Food Department be pleased to state:

(a) the number of oil-extracting factories in India;

(b) whether Government are aware that the increase in the number of these factories has tended towards the extinction of the *ghanis* in the rural parts of the country; and

(c) whether Government propose to decentralise the oil-extraction industry by discouraging oil-mills and encouraging the *ghanis* in the villages?

Mr. K. L. Panjabi: (a) Exact statistics are not available, but it is estimated that there are 700 oil extracting factories in the country.

(b) In the absence of reliable statistics of quantities crushed in oil factories and *ghanis*, Government is not in a position to state whether the increase in the number of factories has tended towards the extinction of the *ghanis* in the rural parts of the country, but it is likely that the increased number of factories would have crushed more on seeds with the result that the quantities crushed by *ghanis* decreased.

(c) This is a matter which rests with the Governments of various Provinces and States.

Prof. N. G. Ranga: Has Government no policy at all in regard to the encouragement of *ghanis*?

Sir Pheroze Kharegat: The general policy of the Government is to encourage the crushing of oilseeds in the country both at the oil extracting factories and at *ghanis*.

Prof. N. G. Ranga: In view of the fact that five million people are employed in the *ghani* industry, as disclosed by the Census report, will not Government consider the advisability of giving first priority to the encouragement of these *ghanis* in preference to the oil extracting mills?

Sir Pheroze Kharegat: Government consider that both types of oil crushing should be encouraged in so far as they are suitable for local conditions.

PRODUCTION BY HANDLOOM

915. *Shri D. P. Karmarkar: Will the Honourable Member for Industries and Supplies be pleased to state:

(a) the measures Government propose to take to give the hand-loom industry its due place in the industrial economy of the country;

(b) whether Government propose to arrange for an All-India Census of the hand-loom industry with a view to frame a scheme of ordered production from the hand-looms to the best national advantage; and

(c) whether Government propose to consider the feasibility of prohibiting the mills from producing particular types of cloth and earmark those types for production only on the hand-looms?

The Honourable Sri C. Rajagopalachari: (a) The Government of India as well as Provincial Governments have done a great deal in recognition of the place in the industrial economy of the country of the cottage weaving industry. We have the All-India Handloom Board for looking after this important industry.

(b) Several provincial Governments are carrying out censuses, and the Honourable Member is referred to Appendix XXVII of the report of the Fact-finding Committee on Handlooms and Mills published 1942.

(c) The problem is not of protection of the handloom against mill production but of increasing the total production which is considerably short of the increasing demand. Government cannot think of prohibiting anything now. They are considering the question of regulating types of production in mills so as to increase the total supply of cloth to the masses.

Sreejut Rohini Kumar Chandhuri: Will Government be pleased to review the distribution of the quota of yarn to provinces according to their necessity for handloom, particularly in those provinces which are dependent more on handloom cloth than on mills?

The Honourable Sri C. Rajagopalachari: The quotas have been fixed after considerable calculation but if Honourable Members will give me any data for revising them, I will have it looked into.

Pandit Lakshmi Kanta Maitra: Do Government make periodical reviews of the allocations made?

The Honourable Sri C. Rajagopalachari: Periodical reviews of allocations do not appear to me to be necessary. The number of handlooms do not change so rapidly and when once an allocation is made, if there is anything wrong, it has to be corrected but a periodical review is not indicated by the circumstances.

Prof. N. G. Ranga: In view of the fact that the former five lakhs annual grant or subsidy to the handloom industry has been stopped this year, will Government consider the advisability of making a suitable development grant to this industry in order to help its development?

The Honourable Sri C. Rajagopalachari: The five lakhs grant was linked to a duty on foreign yarn that had been imposed at the time many years ago. Later the origin of this grant was lost sight of and it was treated as an ordinary development grant. Five lakhs for all India for handlooms is a ridiculously small amount and today the position is that there is a general development grant for many items according to plan. It is considered that it should be part of the general development grants made to various provinces and this question is receiving the attention of my department. The Finance Department thought that it was an unscientific grant and hence it was stopped.

Prof. N. G. Ranga: The Honourable Member made reference to the All India Handloom Board. May I know whether Government are considering the advisability of providing organisational representation to the weavers on this handloom board, instead of simply giving representation to hand picked people?

The Honourable Sri C. Rajagopalachari: The Board will deal with very general matters and not with matters of intimate daily administration. The provinces will have to look into this kind of matter. On the question of general policy, very good representation, I find, is secured for the handloom industry on this Board but if any particular suggestion is made by the Honourable Member it will certainly be taken into consideration, as there is room for co-option.

Prof. N. G. Ranga: Is the Honourable Member aware of the fact that while they are willing to nominate me as a member but not accept me as the organisational representative of the All India Handloom Board?

The Honourable Sri C. Rajagopalachari: I do not know the merits of this particular question.

Pandit Lakshmi Kanta Maitra: Is the Honourable Member aware that there is a definite finding of the Fact Finding Committee appointed in 1943 that there are in this country a very large number of idle handlooms which require yarn for their work and that if yarn is supplied to them the cloth situation would improve to a very considerable extent?

The Honourable Sri C. Rajagopalachari: I am quite aware of the facts apart from the finding in that Committee's report.

(b) WRITTEN ANSWERS

POSITION REGARDING COTTAGE INDUSTRIES

916. *Shri D. P. Karmarkar: (a) Will the Honourable Member for Industries and Supplies be pleased to state the policy of Government in respect of the cottage industries?

(b) Do Government propose to arrange for a survey of the present position of cottage industries with a view to placing them on a more stable basis?

(c) What facilities do Government propose to provide in respect of (a) Raw materials (b) Knowledge of technique of manufacture (c) Finance and marketing?

(d) What steps do Government propose to take to co-ordinate the efforts being made by Provincial Governments for the promotion of cottage industries?

The Honourable Sri C. Rajagopalachari: (a) The Government of India attach the utmost importance to the development of cottage and small-scale industries. The Honourable Member's attention is drawn to the circular letter issued to the Provincial Governments a copy of which was placed on the table in reply to Prof. N. G. Ranga's starred question No. 1292 on 27th March 1946.

(b), (c) and (d). The responsibility in this respect is that of the provinces. The inherent character of cottage industries also points to the provincial governments as the most proper authorities to deal with the subject. All Provincial Governments have included in their development plans schemes for the development of cottage industries.

ENCOURAGEMENT OF HAND SPINNING THROUGH ALL-INDIA SPINNERS ASSOCIATION

917. *Shri D. P. Karmarkar: (a) Will the Honourable Member for Industries and Supplies be pleased to state whether Government propose to encourage hand-spinning in order to make up the deficiency in cloth now prevalent in the country?

(b) If so, whether Government propose to do so directly or through the agency of the All-India Spinners Association?

(c) Do Government propose to ascertain as to what types of cloth could be suitably manufactured from hand-spun yarn in order to meet the immediate needs of the people?

The Honourable Sri C. Rajagopalachari: (a) and (b). Rural and cottage work of this nature are essentially Provincial Government functions. The desirability of encouraging hand-spinning on an extensive and well-organised basis is beyond question. As Honourable Members will be aware, a great deal has already been done in this direction in various provinces.

(c) The organisations who are working at handspun handwoven cloth do not stand in need of any technical advice from the Government of India as to types of cloth which would meet the requirements of the people.

OVER-CROWDING ON THE PATNA-GAYA SECTION OF E. I. RAILWAY

918. ***Mr. Madandhari Singh:** (a) Will the Honourable Member for Railways be pleased to state whether Government are aware that almost all trains on the Patna-Gaya Section of the East Indian Railway are over-crowded?

(b) Do Government propose to increase the number of trains to relieve the over-crowding?

The Honourable Dr. John Matthal: (a) Yes, Sir.

(b) The number of passenger trains at present running on this branch is the same as it was before the war.

The primary responsibility of the Railways is to restore all train services which were cancelled during the war. The introduction of additional services will be considered after this has been done.

EXPRESS TRAIN BETWEEN DELHI AND MADRAS

919. ***Haji Abdus Sattar Haji Ishaq Seth:** (a) With reference to the answers to starred questions Nos. 368 and 383 given on 11th November, 1946, regarding the running of a fast Express train between Delhi and Madras, will the Honourable Member for Railways be pleased to state whether the question of starting a fast mail service between Delhi and Madras has been re-examined towards the end of last year and if so, with what result?

(b) Are Government aware that in spite of improvement in the factors which were stated to be contributing to the late running of the Grand Trunk Express, this train still often runs very late?

(c) Do Government propose to consider the advisability of appointing a Committee of the Madras members of this House to suggest ways and means of reducing the time taken by this train to run between Madras and Delhi?

The Honourable Dr. John Matthal: (a) The question of introducing a fast mail service between Delhi and Madras has recently been re-examined in consultation with the Railway Administrations concerned. It is not yet possible to provide the necessary coaching stock for this service nor will this be possible until stock has been provided to restore the train services curtailed during the war which is the primary responsibility of the Railways.

(b) As stated in the reply to starred question No. 383 on the 11th November 1946, among the factors militating against the punctuality of this train are heavy loads, poor quality of coal and heavily taxed engines which are no longer in first class condition. These factors continue to operate.

(c) Government do not consider this necessary as improvement in the running of this train receives the constant attention of the Railways concerned and suggestions in regard to its running could be discussed by representatives of the interests concerned at the meetings of the Local Advisory Committees of these Railways. I may, however, add that any suggestions received from Honourable Members of this House will be forwarded to the Railway Administrations concerned for examination. Meanwhile the question of reducing the overall time taken on the run by the Grand Trunk Express is already under examination by the Railways concerned.

REPORT OF THE COMMISSION ON METHODS OF DISPOSAL

920. ***Sardar Mangal Singh:** Will the Honourable Member for Industries and Supplies please state:

(a) whether the report of the Commission which was appointed to enquire into the methods of disposals has been received and considered by Government;

(b) if so, the changes that have been effected in the method and procedure of disposals as a result of this report;

(c) whether Government are aware that disposals are now made in bigger lots; and

(d) if so, whether Government propose to consider the desirability of selling in smaller lots so that Government may get higher value for the disposals?

The Honourable Sri C. Rajagopalachari: (a) and (b). It has been received. It has not yet been considered by Government. The Disposals Board will first examine and make their recommendations shortly after which Government will take decisions.

(c) and (d). Disposals are effected in lots considered suitable from all points of view, such as nature of stores, urgency of removal, etc. Generally, however, for every big lot, several smaller lots are disposed of. Thus, small buyers also have their opportunities. The representatives of U. K. Government who were in India recently laid great stress on speed being more important than good bargains.

GAZETTED OFFICERS IN DELHI RATIONING DEPARTMENT

921. *Maulvi Abdul Hamid Shah: Will the Secretary of the Food Department please state:

(a) the number of Gazetted Officers in the Delhi Rationing Department;

(b) how many of them are Muslims and how many Hindus; and

(c) the number of Gazetted Officers belonging to each of the following communities who have been discharged or dismissed since the creation of the Department: (i) Hindus (ii) Muslims (iii) Sikhs?

Mr. K. L. Panjabi: A statement is laid on the table of the House.

STATEMENT

	Hindus	Muslims	Others	Total
Strength of Gazetted Officers	25	11	3	39
Number of Gazetted Officers dismissed or discharged.	...	Nil	...	...
{ Dismissed . . . . .	...	Nil	...	...
{ Discharged	2	3	1	6

PRICE OF HIDES FOR MADRAS TANNERS.

922. *Dr. Zia Uddin Ahmad: (a) Will the Honourable Member for Industries and Supplies please state whether it is a fact that His Majesty's Government intend to stop the present system of purchase of EI tanned kips in Madras and that in the near future the Madras exporters will have to revert to the pre-war system of sending their half-tanned leather to England for public auction there?

(b) If so, are Government aware that this would result in the Madras tanners having to effect purchases without knowing what their sale prices would be, and would therefore try to pay the lowest possible price for the hides that they purchase here?

(c) Are Government aware that the finished leather produced in England from EI tanned kips is sold at a much lower price than the leather produced from similar raw hides exported from here, on account of its inferior quality?

The Honourable Sri C. Rajagopalachari: (a) So far as our information goes it is not the intention of His Majesty's Government to stop the present system of purchase of E. I. tanned Kips in Madras.

(b) Does not arise.

(c) The Government of India do not believe that the finished leather produced in England from E. I. tanned Kips is considered to be inferior or sold at a lower price than the leather produced from similar raw hides exported from this country. It is wrong to describe the E. I. Kips as half tanned. Finishing and dressing apart, the Kips are fully tanned. Pending improvement of the leather industry in India, Government consider it very wrong to discourage this very important industry of South India the product of which is 40 per cent. utilised indigenously and 60 per cent. exported.

EXPENDITURE ON 'GROW MORE FOOD, CAMPAIGN

923. *Sreejut Rohini Kumar Chaudhuri: (a) Will the Secretary of the Department of Agriculture be pleased to state what amount, if any, has been allotted by the Government of India during the last three years to different Provinces to assist them in carrying on the 'Grow More Food' campaign and what proportion of total expenditure was borne by each Province?

(b) Has the above campaign resulted in a progressive increase in the output of foodstuffs and for how long will the campaign be carried on?

Sir Pheroze Kharegat: (a) A statement showing the loans and grants sanctioned by the Central Government for the Grow More Food Campaign in Provinces is placed on the table of the House. The Central Government's share of the expenditure on schemes approved by them is 50 per cent. of the cost incurred by the Provinces except in the cases of Assam, the N. W. F. P. and Orissa where it is 66 $\frac{2}{3}$ per cent.

(b) A statement is placed on the table showing the average production of the more important foodgrains for each province in the years 1936-39 and 1942-45. It shows that there was an increase of three million tons a year. This is due in part to better harvests and in part to the Grow More Food Campaign. The figures for 1945-46 are also given which show a drop of nearly two million tons below the pre-war average due to a very bad monsoon in the greater part of the country. It is proposed to continue this campaign till 1951-52.

Statement showing the loans and grants sanctioned to the Provincial Government upto the 15th January, 1947, for the Grow More Food Campaign

No.	Name of Province	Amounts Sanctioned	
		(Loan)	(Grant)
1	Assam .	34,47,122	29,16,162
2	Bengal .	1,68,37,200	1,12,99,445
3	Bihar .	9,64,000	59,62,151
4	Bombay .	17,22,500	1,31,09,166
5	C. P. & Berar .	1,48,15,986	45,69,901
6	Madras .	1,91,87,500	2,99,58,830
7	N. W. F. P. .	26,90,300	20,20,202
8	Orissa .	53,69,832	36,44,558
9	Punjab .		80,11,950
10	Sind .		12,52,087
11	United Provinces .		68,29,920
	Total	6,50,34,440	8,95,74,372

Production of principal foodgrains in the reporting areas of India
(Thousand tons)

	RICE			WHEAT			JOWAR		
	Normal Average 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46	Normal Average 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46	Normal Average 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46
<i>Temporarily Settled Areas</i>									
Ajmer Merwara	702	865	839	5	9	7	3	8	3
Bombay	1,692	1,794	1,623	311	271	245	1,376	1,203	713
C. P. & Berar	55	64	65	648	461	433	1,001	1,174	1,022
Coorg	4,582	4,867	3,827	18	12	12	1	6	6
Delhi	347	421	454	259	264	254	1,221	1,090	736
M. P.	447	551	688	3,451	3,871	3,248	11	10	11
N. W. F. P.	2,001	1,751	1,853	348	458	374	94	119	119
Punjab	9,949	10,313	9,349	2,647	2,610	2,305	101	130	86
U. P.	1,707	2,006	2,016	7,087	7,965	6,878	428	561	558
Total	8,802	9,755	9,597	463	525	397	4,236	4,301	3,254
<i>Permanently Settled Areas</i>									
Assam	3,052	2,970	2,460	44	50	42	2	2	1
Bengal	1,527	1,311	1,286	418	474	353	17	18	18
Bihar	15,178	16,042	15,359	1	2	2	10	8	8
Orissa	25,127	26,355	24,708	8,150	8,491	7,275	29	28	27
Total	49,686	50,634	48,221	9,021	9,462	8,047	4,265	4,329	3,281
Total Br. India	59,632	61,289	56,970	17,041	17,927	15,322	8,500	8,628	6,535
Increase (+) or decrease (-) over 1936-37 to 1938-39 in . . . . .	..	(+) 1,238	(-) 419	..	(+) 341	(-) 875	..	(+) 64	(-) 984

	BAJRA			RAGI			MAIZE		
	Normal Average 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46	Normal Average 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46	Normal Average 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46
<i>Temporarily Settled Areas</i>									
Ajmer-Merwara	1	4	1	11	186	163	11	10	7
Bombay	436	576	343	58	..	..	58	43	23
C. P. & Berar	25	31	22	..	..	..	81	55	36
Coorg	..	..	..	..	..	..	..	..	..
Delhi	8	16	12	..	786	533	1	(a)	1
Madras	672	576	346	..	..	..	31	21	11
N. W. F. P.	19	23	17	..	..	..	216	202	225
Punjab	273	573	572	..	..	..	394	501	539
Sind	93	199	104	..	..	..	1	1	..
U. P.	334	590	550	..	..	..	623	945	930
Total	1,801	2,588	1,936	971	947	690	1,416	1,777	1,782
<i>Permanently settled Areas</i>									
Assam	..	1	..	..	..	..	..	..	..
Bengal	..	1	(a)	..	..	..	..	..	..
Bihar	23	19	19	180	154	139	426	463	373
Orissa	1	1	1	70	61	60	7	7	7
Total	25	21	20	259	215	199	456	514	421
Total Br. India	1,886	2,609	1,986	1,230	1,162	895	1,872	2,291	2,203
Increase (+) or decrease (-) over 1936-37 to 1938-39 in	..	(+) 723	(+) 100	(-) 68	(-) 335	(-) 335	(-) 335	(+) 419	(-) 335

(a) Below 500 tons.

	BARLEY				GRAM				TOTAL			
	Norm. l Aver. ge 1936-37 to 1938-39	Aver. ge 1942-43 to 1944-45	1945-46	Normal Aver. ge 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46	Normal Aver. ge 1936-37 to 1938-39	Average 1942-43 to 1944-45	1945-46			
<i>Temporarily Settled Areas</i>												
Ajmer Merwara	12	19	14	2	4	3	34	54	35			
Bombay	5	4	2	91	82	56	3,254	3,229	2,383			
C. P. & Berar	3	3	3	205	206	213	3,055	3,724	3,352			
Coorg	..	..	..	..	..	..	55	64	65	
Delli	5	6	4	14	16	26	47	56	61			
M. dr.s	..	..	..	12	12	9	7,304	7,327	5,462	
N. W. F. P.	50	39	64	27	21	27	582	559	598			
Punjab	188	235	172	656	970	1,119	5,403	6,680	6,213			
Sind	4	8	5	51	96	96	1,075	1,443	1,353			
U. P.	1,347	1,424	1,451	1,680	1,681	1,492	9,063	9,571	9,159			
Tot. l	1,614	1,738	1,715	2,738	3,038	3,041	30,472	32,717	28,681			
<i>Permanently Settled Areas</i>												
Assam	..	..	..	..	..	..	..	..	..	..
Bengal	31	45	34	79	130	109	1,797	2,006	2,016			
Bihar	438	409	363	432	465	401	5,002	4,972	4,126			
Orissa	()	1	()	2	2	2	1,618	1,393	1,366			
Tot. l	490	455	397	520	697	512	17,399	18,398	17,332			
Tot. l Pr. India	2,083	2,193	2,112	3,238	3,685	3,553	47,871	51,115	46,013			
Increase (+) or decrease (-) var. l: 37 to 1938-39 in	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(-)			

(a) Below 500 tons.

STANDARD OF VISION FOR SUPERIOR SERVICE RAILWAY CANDIDATES

924. *Haji Abdus Sattar Haji Ishaq Seth: (a) Will the Honourable Member for Railways be pleased to state whether the standard of vision prescribed for candidates for superior Railway Services including the Commercial and Establishment branches is much higher than the standard prescribed for other similar services under the Government of India?

(b) Is the same standard of vision prescribed for the Transportation and Traffic branches of the Railway Service also prescribed for the Commercial and Establishment branches? If so, why?

(c) How many candidates were disqualified on account of their failure to pass the requisite Railway sight test in the competitive examinations for I.A. and A.S. held in 1944-45 and 46?

The Honourable Dr. John Matthai: (a) Yes; the standard is higher.

(b) Yes. The same standard of vision is prescribed for the Transportation (Traffic) and Commercial Departments as officers of the two departments are interchangeable. So far as the Establishment Department is concerned, the same standard of vision as for the Transportation (Traffic) and Commercial Departments was adopted at the commencement as it was decided to make use of the same method of recruitment, including medical examination, as existed for officers of the Transportation (Traffic) and Commercial Departments. The question whether a separate standard of visual acuity should be adopted for candidates of the Establishment Department is under consideration.

(c) The number of candidates not fulfilling the requisite railway standards of vision in the medical examinations held following the combined competitive examinations in 1944 and 1945 were 32 and 55 respectively out of a total of 118 and 218 candidates who were examined. No competitive examination for recruitment to I.A.A.S. and allied services was held in 1946.

REMODELLING OF TELlichERRY RAILWAY STATION

925. *Haji Abdus Sattar Haji Ishaq Seth: Will the Honourable Member for Railways be pleased to state:

(a) the present position of the pre-war proposals to remodel the Tellicherry Station on the South Indian Railway;

(b) whether the re-modelling of the Ottapalan Station on the same railway is under consideration; if so, the cost of the same;

(c) whether Government have examined the relative importance of these two stations in point of passenger and goods traffic receipt, population and commercial importance; and

(d) whether priority will be given to the remodelling of the Tellicherry Railway Station? If not, why not?

The Honourable Dr. John Matthai: (a) The remodelling of Tellicherry station has been included in S. I. Railway's Post-War Plan for the year 1949-50.

(b) The remodelling of Ottapalam station has been included in S. I. Railway's Works Programme for 1947-48. The estimated cost is Rs. 2.69,000.

(c) and (d). Yes. The remodelling of Ottapalam is more urgent than that of Tellicherry from the point of view of traffic working. Ottapalam is on the main line between Madras Central and Cochin Harbour Terminus and its importance has increased from the point of view of train working with the introduction of the Cochin Express which passes from Ottapalam to the Shoranur-Cochin Branch without touching Shoranur.

RISE IN PRICE OF EDIBLE OILS.

926. *Sjt. Seth Damodar Swroop: Will the Secretary of the Food Department please state:

(a) whether Government are aware that the price of edible oils is rising to a high level; and

(b) whether Government are aware that this abnormal rise in price is due to hydrogenation of the edible oils, if so, whether Government propose to take steps to prohibit the process of hydrogenation, in view of the fact, that the process enhances the price of the oil?

Mr. K. L. Panjabi: (a) Yes, Sir, but in certain areas the prices have recently shown a downward tendency.

(b) The rise in price cannot be related to the hydrogenation of edible oil required for Vanaspati industry. The steepest rise in price is in respect of mustard oil which is not used for vanaspati at all and the quantities required for it have not increased in proportion to the increase of oil prices.

PROHIBITION OF EXPORT OF OIL SEEDS, OILS AND OIL CAKES.

927. *Sjt. Seth Damodar Swroop: Will the Secretary of the Food Department please state if Government propose to prohibit the export of oil seeds, oils, oil-cakes, as also the manufacture, import and distribution of hydrogenated oils?

Mr. K. L. Panjabi: Export of oil cake is banned altogether. Export of oils and oilseeds is confined to varieties in which India is surplus and is limited in quantities. This export is also necessary to obtain foodgrains and other essential supplies required for India.

The reply to the second part of the question is in the negative.

ENCOURAGEMENT OF CULTIVATION OF COTTON.

928. *Sjt. Seth Damodar Swroop: (a) Will the Secretary of the Department of Agriculture please state whether Government are aware that in view of the high prices of food-grain the cultivator is not giving due attention to the cultivation of cotton?

(b) If so, what steps do Government propose to take to encourage the cultivation of cotton with a view to decreasing the shortage of cloth?

Sir Pheroze Kharegat: (a) Government are aware of the fact that the cotton acreage has decreased from about 24 to about 15 million acres.

(b) The matter is under consideration.

INCREASE IN PAY OF COOLIES OF THE GENERAL STORES, N. W. RAILWAY,
MOGHALPUR

929. *Sjt. Seth Damodar Swroop: Will the Honourable Member for Railways please state:

(a) whether it is a fact that the coolies of the General Stores, North Western Railway, Moghalpura are, recruited on a wage of annas nine per diem and that they reach annas eleven per diem after some 30 years approved service; if so, whether Government propose to make necessary changes in the old scale of wages to suit the present hard conditions of life;

(b) whether it is a fact that the Line-Delivery coolies who distribute stores on this line, have to work day and night remaining on duty for weeks and having no time or place for cooking their food and sleeping; and

(c) whether it is a fact that the grade of their pay is Rs. 22—1—30; if so, whether Government propose to consider the desirability of increasing their pay and offering them necessary facilities for cooking meals and sleeping at night?

The Honourable Dr. John Matthai: (a) Government are informed that coolies in the N. W. Railway General Stores are recruited on an initial pay of annas nine per day in the scale nine annas—one anna—eleven annas per day (Revised Scale). Accordingly, they reach the stage of annas eleven per day after two years' approved service and not after 30 years' service. The corresponding old scale of pay is ten annas—one anna—twelve annas per day. In addition to pay, the staff concerned are at present in receipt of dearness allowance and interim relief. As regards the latter portion, I would remind the Honourable Member that the scales of pay of railway staff are subject to revision as a result of the recommendations of the Central Pay Commission.

(b) No. Government understand that this class of staff are not required to work for more than 84 hours a week and that facilities for cooking and sleeping are provided for them in the Stores vans attached to the Store delivery trains.

(c) The reply to the first portion is in the affirmative. The question of revision of the scales of pay of the staff concerned will depend on the recommendations of the Pay Commission and Government's decisions thereon. As regards facilities for the cooking of meals and for sleeping, the question does not arise in view of the reply to part (b) above.

EXEMPTION FROM CONFIRMATORY TESTS OF PROMOTED INFERIOR SERVANTS IN POSTS AND TELEGRAPHS DEPARTMENT

930. *Shri Mohan Lal Saksena: Will the Secretary of the Communications Department be pleased to state:

(a) whether Government are aware that during the last war some inferior servants, *e.g.*, Daftries etc., employed in certain subordinate offices of the Posts and Telegraphs Department were promoted to officiate in clerical appointments against vacancies existing in these offices;

(b) whether Government are aware that prior to their appointment as clerks, they were subjected to a preliminary qualifying test;

(c) whether Government are aware that in accordance with the recent award of the Adjudicator in the dispute between the Posts and Telegraphs Department and its employees, such of these officials as have rendered one year's satisfactory service, are to be confirmed in their appointments as clerks after passing another test;

(d) whether it is proposed to exempt some of the aforesaid class of employees from the confirmatory tests;

(e) if the reply to part (d) above be in the affirmative, what are the reasons for this discrimination; and

(f) whether Government propose to consider the desirability of issuing necessary instructions to all concerned dispensing with the need for this confirmatory test in the case of all the officials referred to in part (a)?

Mr. Masarrat Husain Zuberi: (a) Suitable departmental candidates were eligible for promotion on selection purely as a temporary measure against twenty per cent. of the vacancies.

(b) The candidates were required to pass a simple test before selection.

(c) The subject did not arise from the award of the Adjudicator, but in accordance with the assurance given to the All-India Postmen and Lower Grade Staff Union, it was ordered that such of the officials as had rendered one year's consecutive service in the clerical cadre on the 15th September, 1945 and had earned fully satisfactory reports, may be appointed on probation to that cadre; confirmation in these posts depending upon their passing the usual confirmation examination prescribed for all clerks within three years of the date of appointment.

(d) No. The confirmation examination applies to all candidates and is different from the qualifying test for selection. The confirmation examination is intended to test the knowledge of the candidates in the departmental rules and procedure.

(e) Does not arise.

(f) No. In view of the answer to part (d) of the question it is considered that the holding of the confirmation examination is necessary in the interest of efficiency.

APPLICATION TO DELHI OF THE PUNJAB WILD BIRDS AND WILD ANIMALS PROTECTION ACT.

981. *Mr. Madandhari Singh: (a) Will the Secretary of the Agriculture Department be pleased to state why the Punjab Wild Birds and Wild Animals Protection Act, 1933, has been made applicable to the Province of Delhi?

(b) Are Government aware that since the application of the above Act to Delhi, the number of wild animals and birds have increased considerably and consequently the loss by damage to fruits, crops, etc., by wild bears and other wild animals and birds has increased?

(c) In view of the scarcity of food-stuffs in this country, do Government propose to consider the advisability of suspending the operation of this Act in the Province of Delhi and also provide more facilities to poor agriculturists to possess fire-arms for the protection of their crops?

Sir Pheroze Kharegat: (a) The Act was made applicable to Delhi in 1934 in order to protect wild birds and wild animals and to prevent their extermination.

(b) There is no evidence of any such increase of loss and no allegations to that effect have been received by Government.

(c) There appears to be no case at present for suspending the operation of the Act. Applications for the grant of licences for firearms for the protection of crops are considered on their merits. Only four such applications have been received since 1945 and all of them have been sanctioned.

RUNNING OF THROUGH TRAINS FROM JAMSHEDPUR AND BARKAKHANA TO PATNA

982. *Babu Ram Narayan Singh: Will the Honourable Member for Railways be pleased to state whether Government propose to consider the desirability of running through trains from Jamshedpur and Barkakhana to Patna; if so, when and if not, why not?

The Honourable Dr. John Matthai: Traffic offering at present does not justify the running of a through train between Patna Junction and Tatanagar (Jamshedpur), but a through carriage providing accommodation for first, second and intermediate class passengers has been running between Patna and Tatanagar since 23rd December 1946.

The restoration of the Patna-Ranchi through train terminating at Barkakana has been accorded a high priority by the Railway Administration and this train will be reintroduced as soon as the necessary coaching stock becomes available.

RATE OF PAYMENT FOR WORK BY CONTRACTORS IN RAILWAY COLLIERIES.

983. *Babu Ram Narayan Singh: Will the Honourable Member for Industries and Supplies be pleased to state whether all Contractors for raising coal from Railway Collieries are allowed the same rate of payment for work done by them and if not, why not?

The Honourable Sri C. Rajagopalachari: No, Sir. The rates vary slightly depending on the conditions of work at each colliery and the responsibilities assumed by the contractor.

NUMBER OF SPINDLES IN TEXTILE FACTORIES IN INDIA.

984. *Mr. Vadilal Lalubhai: Will the Honourable Member for Industries and Supplies please state:

(a) the number of spindles in the various textile factories in India working in day shifts and night shifts separately, year by year, from the year 1939 up to date; and

(b) the number of looms working in day shifts and night shifts separately, year by year, from the year 1939 up to date?

The Honourable Sri C. Rajagopalachari: (a) and (b). Statistics are not available in the form desired by the Honourable Member. A statement is placed on the table which shows the average number of spindles and looms working during the period from 1939 to 1946, and another statement illustrating the number working in each shift during January 1946.

Statement showing average number of spindles and looms working daily during 1939-46

Year	Spindles	Looms
1939 .	8,986,371	183,332
1940 .	8,847,326	178,842
1941 .	9,083,046	184,258
1942 .	9,165,812	184,665
1943 .	9,402,397	186,992
1944 .	9,493,784	189,241
1945 .	9,466,098	190,601
1946 .	9,543,295	186,505

Statement showing average number of spindles and looms working daily in textile mills in each shift during January 1946

	First shift	Second shift	Third shift
Spindle	9,573,728	7,871,854	984,656
Looms	192,414	144,438	5,41

HOARDING AND PROFITEERING PREVENTION ORDINANCE IN CENTRALLY ADMINISTERED AREAS.

935. *Pandit Mukut Bihari Lal Bhargava: Will the Honourable Member for Industries and Supplies be pleased to state:

(a) whether it is a fact that the Hoarding and Profiteering Prevention Ordinance is still in force in the Centrally Administered Areas; and

(b) if so, whether Government propose to repeal it?

The Honourable Sri C. Rajagopalachari: (a) Yes.

(b) Yes, Sir. In view of the fact that the Ordinance has ceased to have any operation in Governors' provinces since 1st October 1946 Government will take steps to bring it legally to an end in centrally administered areas also.

UNSTARRED QUESTIONS AND ANSWERS

FILLING ON TEMPORARY BASIS OF VACANCIES IN POSTS AND TELEGRAPHS DEPARTMENT.

80. Sardar Mangal Singh: (a) Will the Secretary of the Communications Department please state whether Government are aware that a ban on confirmation was imposed by the Government of India in their Home Department letter No. 70/12/42-Ests., dated 29th June 1942 in regard to persons appointed in vacancies arising during the war in the Central services from the date of those orders?

(b) Are Government aware that a number of vacancies were existing in the Posts and Telegraphs Department before that date and were filled purely on temporary basis?

(c) If the replies to parts (a) and (b) above be in the affirmative, do Government propose to fill such vacancies by the appointment of candidates placed on the waiting lists as a result of the Competitive Examinations held in 1942 and 1943? If not, why not?

Mr. Masarrat Husain Zuberi: (a) Yes.

(b) The Honourable Member presumably refers to permanent vacancies. All such vacancies existing before 29th June 1942 were ordered to be filled permanently by candidates who were placed on the waiting list before that date.

(c) No. Those recruited subsequently to 29th June 1942 were given clear warning that their appointments will be temporary and they are entitled to only 30 per cent. of vacancies reserved for temporary staff.

ALLOTMENT OF COAL FOR TOBACCO CURING PURPOSES IN MADRAS CIRCLE

81. Prof. N. G. Ranga: (a) Will the Honourable Member for Industries and Supplies be pleased to state whether it is a fact that the tobacco growers of West and East Godavari Districts have requested the Central Excise Department to constitute their districts as an independent circle for coal distribution and separate them from the Guntur Circle?

(b) How much coal has been allotted per annum to these two districts for tobacco curing purposes?

(c) Are Government aware of the inconvenience caused to the tobacco growers of these districts, by their having to depend upon the wholesale and retail coal agents of Guntur District?

(d) Do Government propose to consider the desirability of separating these two districts from Guntur and constituting them as an independent circle and also of permitting them to obtain coal directly from the Collieries?

The Honourable Sri C. Rajagopalachari: (a) No, Sir. No such representation has been received by the Central Excise Department.

(b) The information is being collected and will be laid on the table of the House in due course.

(c) No separate complaints to this effect have been received from tobacco growers of the East and West Godavari Districts. But representations against the method of supplying coal through distributing agents have been received from the Andhra Provincial, the Bapatla Taluk and the Ongole Tobacco Growers' Associations. These are under consideration.

(d) The responsibility for the detailed distribution, including the machinery therefor, of the monthly quota of coal for tobacco curing was transferred to the Government of Madras sometime ago for the areas under their jurisdiction. Their views on the Honourable Member's suggestion have been invited and the matter will be further considered on receipt of a reply. I would point out, however, that the tobacco curing season is now drawing to a close and any new arrangements made can be introduced only with effect from the next season.

MESSAGES FROM THE COUNCIL OF STATE

Secretary of the Assembly: Sir, the following two Messages have been received from the Council of State. First is as follows:—

“The Council of State at its meeting held on the 11th March, 1947, agreed without amendment to the Bill further to amend the Delhi Muslim Wakfs Act, 1943, for certain purposes, which was passed by the Legislative Assembly on the 14th February 1947.”

The second Message runs as follows:

“The Council of State at its meeting held on the 12th March 1947 agreed without amendment to the Bill to make provision for the investigation and settlement of industrial disputes, and for certain other purposes, which was passed by the Legislative Assembly on the 21st February 1947.”

GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

DEMAND No. 55—DEPARTMENT OF INDUSTRIES AND SUPPLIES—*contd.*

Policy in regard to Control of Articles other than food—contd.

Mr. President: The House will now resume the consideration of the cut motion moved by Prof. N. G. Ranga to discuss the policy in regard to controls of articles other than food.

Chaudhry Sri Chand (Nominated Non-Official): (The Honourable Member spoke in Hindustani. For Hindustani text see Appendix to the Debates for the English translation given below.—*Ed. of D.*)

Sir, there are two objects for which Government imposes Controls. Firstly, that the prices may not increase abnormally; secondly, that everybody should get according to his share. But, the way in which the controls are carried out secures neither the first nor the second object. So far as prices are concerned experience has shown that prices rise rather than fall by control. When an article is brought under control its first effect is that people think that the article will not be obtainable in future and it should be purchased in as great a quantity as obtainable and stored. On the other hand, shopkeepers who have a stock of the article, try to hide the whole stock to sell it in the black market. Its absence from the bazar, therefore, enhances its price. Fixing the price on paper does not reduce the price of an article. I will just give you an instance with regard to sugar. U. P. sends sugar to the Punjab at the control rate of Rs. 18 per maund but, when it reaches the Punjab the control which is imposed upon it by the Punjab Government and the way in which it is distributed and obtained raises its price to not less than Rs. 50 to Rs. 60 per maund. If a person wants to purchase ten to twenty seers of sugar he is, in the first instance, to go to the *Lambardar* for inquiry; if it is a village he will then go first to the *Patwari* and then to the *girdawar* for attestation. Then he goes to the *Tahsildar* in the town who is sometimes away on his own tour and sometimes on tour with the Commissioner and again sometimes he is in attendance on a Minister who happens to visit the place. Thus the villager has to run after him for three or four days before he gets the permit for 10 or 20 seers of sugar. He then goes to the *Permit Munshi* and finally to the shopkeeper. This man is very shrewed. He knows that the villager, if delayed in the town, will have to spend more. So he says that he has not got the required quantity of sugar and requests him to come the next day or the day after the next. The villager entreats him and the shopkeeper after a lot of haggling says that he has only 17 seers and if it is very urgent he could give him that. The villager seeing no other way agrees. Thus after paying one rupee to the *Patwari*; one to the *girdawar* and one to the *Permit munshi* he gets 17 seers of sugar for a permit of 20 seers. In this hustling about he loses his work and time, not to mention his self-respect. Thus, poor

villagers never get sugar at the control price given on the paper. It is for the self-satisfaction of the Government that they have fixed the price at Rs. 18 per maund. The people who purchase the article, however, know that they never get it at Rs. 18 but at Rs. 50 per maund. This is how the price control by which Government desire to reduce the price of an article, works.

The second object of the Government by the imposition of control is that everybody should get his share. You can see that the way in which the distribution is made is not at all right. I have come to know about the Punjab Government that there an individual in the village gets 2 chhataks of sugar per month while in the town it is 15 chhataks. I fail to understand the kind of justice on which this distribution is based that a man living in a town should receive 15 chhataks while a man living in a village should receive only 2 chhataks. Again, a man living in the town receives 18 yards of cloth while one living in the village receives only 9 yards of it annually although the townsman wears a *topi* made of 4 *giras* and a *pyjama* made of 1½ yards of cloth while a villager wears a *dhoti* and a *safa* each of 10 yds. of cloth. I do not know how the Government have come to the decision to give 18 yards of cloth to the town people and 9 yards to the villagers annually. It is sheer injustice. Let us now see the order of the Government regarding the profit on sugar. The shopkeeper who sells sugar in the village is ordered to sell it at a profit of only 5 annas per maund. He has to spend rupee one and annas eight in carrying it to the village and he is ordered to charge only a profit of 5 annas per maund. Nobody will be foolish enough to pay Rs. 1½ in the cartage and charge only 0-5-0 per maund as profit. Government have full knowledge that the man will not sell the article at the proper rate. It is well aware of the man's dishonesty. The fellow sells sugar at a higher profit. After a few months control authorities arrive and they order the cancellation of the shop's license. In short nobody gets either sugar or cloth. Three persons get three yards of cloth. A *dhoti* is made up of 5 yards. Now how to distribute this cloth in the family to make *dhotis*? This way of distribution is not at all right nor does it raise the standard of life. Thus both the objects of the control are absurd.

It has become a fashion in these days to do whatever one desires under cover of doing good to the poor. If a man says that he desires to do good to the poor and in order to raise the standard of their lives he wants to make them eat wheat he can do whatever he likes under this cover. Let us now examine the rates:

Sugar Rs. 18 per maund,
 Red Sugar Rs. 20 per maund.
 Gur Rs. 24 per maund.

These are control rates. Now tell me who will eat gur and Bajra when their rates are so high? In the Punjab people are forced to eat rice while in Bengal they are forced to eat wheat which is not their staple food. These are the blessings of the control. I fail to understand you when you say that nobody has yet represented to the Government to remove the control. The members in this House are silent because they have got their Interim Government. Muslim League people are silent because they have got Liaquat Ali Sahib among them and the Congressites are silent because their members are in the Interim Government. Otherwise, I have heard in the lobbies that they are all against the control and all desire its abolition. I do not know why Government insist to keep it. Allow me to say that control is a curse. There is no benefit but trouble in it. Yet they want to keep control. The reason is that the Interim Government knows that in India some people eat pure wheat, some eat it mixed with gram and others eat *Bajra*, *Jawar* and rotten wheat. But here first class wheat is sold at the rate of 3½ seers per rupee and

[Chaudhry Sri Chand]

the rotten wheat also is sold at the same rate. Coarse grains are sold at the price on which first class wheat is sold. I want to tell you that this is the way in which the standard of life of the poor is being raised. They will have to eat sugar whether they have ever eaten it or not. They will have to purchase two chhataks of it no matter if they later sell it in the black market. It is the order of the Government that he should have it whether he has ever eaten or not. Thus, the standard of their lives is raised. This sort of orders should not now exist. If our Government is fond of controls it should control the beggars whose number is so great. Go and see at the railway station the crowd of these beggars. They are so numerous that one gets bothered by them. Some beg in the name of the nation, others in the name of poverty, others in the name of some leader and yet another in the name of Bengal. Thus, they plague people; but the Government have never given a thought to stop them. Villagers come to the City and see the Council Chamber they think that their country is very prosperous and great men live there but they never take into consideration about its worries and troubles. If the Government is very fond of control, it should control the Radio Department. It is not the Radio Department; it is the Department of *Randes* (harlots). They laugh at the people of the villages but the mimic shows, which are now no longer shown in the villages are still being put on upon the Radio. Their information is so little that they call me Pandit in spite of the fact that I have written them that I am not a Pandit; I am a *jat* but they go on calling me Pandit. I do not know how they take me for a Pandit—is it for my *safa* or for some other reason? If the Government want control; it must control corruption and the great Departments so that some benefit may come out of it. The present controls are a source of trouble to the people. For these reasons I support Prof. Ranga's cut motion. In my opinion every member of the House should lend his support to it. Government may not do it for fear otherwise all the members are in its favour.

Sri V. C. Vellingiri Gounder (Salem and Coimbatore *cum* North Arcot; Non-Muhammadian Rural): Sir, I wish to say a few words on this Motion because I learn that my Cut motion will not come up for discussion. I wish to refer to the controls that are being worked out in my Province of Madras. My province is praised for working controls effectively and it is foremost in controlling every article used by man. I can only come to the conclusion that this sort of praise is given to Madras simply to encourage the Government of Madras to put forth more efforts in making more and more control. This sort of praise comes from the Central Government. If you ask the public of Madras what they think about these controls, they will have a different tale to tell. My colleague Mr. Ramalingam Chettiar put a question the other day and the Food Member answered that the Central Government was going to pay a subsidy of 15 crores for purchase of rice from Burma. Then the Government of India are going to distribute that subsidised rice at a fixed rate of price to all the provinces of India. We also heard that last year the Government of India spent about 100 crores of rupees in importing food grains from other countries. We also hear that large sums of money have been spent on 'Grow More Food Campaign'. In spite of all these expenditure, neither the agriculturist grows more food nor is the Government giving an economic price even for the produce which the agriculturist grows.

Mr. President: I may point out to the Honourable Member that the Cut Motion under discussion raises the question of policy in regard to controls of articles other than food. So the Honourable Member will not be relevant, if he refers to food controls.

Sri V. C. Villingiri Gounder: What I wish to submit is that we want no controls at all, on any things while there is no justification for keeping control over food. I was only pointing out the colossal waste of money on the

part of the Central Government without any adequate return for the agriculturist or for the consumer. The agriculturist is not benefitted nor are the Government in utilising the money in this way. These controls specially affects the rural population and they stand to suffer. As my Honourable friend Prof. Ranga pointed out the other day the urban people are very vocal and their grievances are soon redressed and the urban people are better cared for by this Government. The rural population suffer in so many ways. The rural people do not get proper food, they do not get the necessaries of life. Owing to controls of every article the rural people being very poor and illiterate are not able to get any thing at all except at black market rates. They specially require manure iron and cattle food for agricultural requirements. The price control is not at all worked satisfactorily. From all parts of this House, there is always criticism about the way in which controls are exercised to the detriment of people, specially rural people. The other day some of the Madras Members and the Bihar Members interviewed the Food Member. The Honourable Member asked us if we could guarantee there will be no death by starvation if control on food is removed. I remembered on a previous occasion, he cited the example of two wives represented as the interest of producers and consumers. When we represented our difficulties, then this example of two wives came to my mind. We, on one side, being the one wife and on the other the Secretariat officials the other wife representing in a different way.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): The mistress is more loved than the wife.

Sri V. C. Vellingiri Gounder: Whenever we make any representation, the Officers in Food Secretariat come forward with huge files and bring in all sorts of obstructions and statistics to confuse us and the Honourable Member.

The Honourable Sri C. Rajagopalachari (Member for Industries and Supplies): Is the Honourable Member referring to the Food Department. There is no one to represent the Food Department.

Mr. President: I already invited the attention of the Honourable Member to the fact that we are discussing controls other than on food. I wish to see how he proceeds with the point.

The Honourable Sri C. Rajagopalachari: I should like to suggest to the Honourable Member that he should not go into the subject of food.

Mr. K. L. Panjabi: On a point of order, Sir. You have already pointed out that the subject matter under discussion is controls other than food.

Mr. President: The result will be that the Honourable Member will be traversing into a field which will not be relevant, and he will not get a reply to that.

Sri V. C. Vellingiri Gounder: Everywhere the control prices are fixed and if you go in for outside produce I do not know why uniformity cannot be observed in buying from other countries also, when there is the world food conference and other things. A good deal of the taxpayers' money is being uselessly spent on subsidies; if the controls are abolished all this money will not be wasted. We approached the district authorities and after a good deal of argument we were able to convince them that these controls should be abolished. They referred the matter to the Revenue Board and an officer came to make inquiries; and in spite of the arguments of every one including the District Officer control was enforced or recommended. When we go into the question Government shows us the difficulties of the poor people, but we here represent the case only in the interest of the poor people and not in our own interest. The conclusion to be drawn is that an army of officers and staff from the district right up to the centre have to be maintained and provided for;

[Sri V. C. Vellingiri Gounder]

that at least is my experience from the work of the Madras Government. When the district authorities are to be consulted officially we surely cannot expect the Collector to go against the wishes of his superior officers. In the last war our deficiency was only the matter of food. With regard to steel and iron it is insufficiently produced in India and some control may be justified. In the first war we were short in rice and Government supplied that deficiency from Burma and there were no black markets and no monopolies and no such controls and deterioration of stuff, etc. and they exist now speaking of my own place in this last war we were in the midst of military camps and we saw huge bags of food stuffs stored improperly and much food material was wasted. When there was war, controls in certain things might be found necessary but it is more than a year the war was over. We are short in food and iron; and they may be secured from outside and given to deficient provinces like Bombay and Madras and States like Travancore and Cochin. Why should there be this control and this army of officers? For a man of the village to get food and other controlled things is very difficult. He perhaps lives ten miles away to get his quota he has to go 15 miles to get a permit for transport of his produce or get a controlled thing. I know that in the urban areas people with influence are able to get all that they require in spite of the control at control price. So with regard to rice, steel and kerosene in which we are short they can be got from outside and distributed to the several traders, specially in deficient areas. Where there is regular trade between one province and another and there is a surplus available in one province, normal trade channels should be given facilities. What is required is transport facilities which Government will have to provide in time. If the controls are lifted it will not lead to starvation as in Bengal, even if there is failure of rain for one year in certain parts. So these controls should go. I have heard the Industries and Supply Member saying on certain occasions that he is not in favour of the controls, and the Food Member also is of the view when we met him in deputation that these controls should go. So these controls should be done away with and provision should be made for getting steel, kerosene and rice in which we are deficient and supplied in normal trade channels. Sir, I support the motion.

Sri M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadian Rural): Sir, I do not wish to keep the House long. I do not desire to create or allow an impression to be created that the Assembly as a whole, on account of the number of speeches made, is against these controls. From the trend of speeches I gather that the grievance is more against the administration of these controls than against the policy. There I agree. The administration is a legacy from the war period and our Government have not had time yet to overhaul the entire structure. There are political and other difficulties in the provinces and also in the centre; and in spite of the age and experience of the Honourable Members who grace the Cabinet I do not think they had the time to think over the administrative side and overhaul the administrative machinery. But as regards policy my Honourable friend with all his wit and humour wants to see bright things through non-coloured glasses wherever it is dark, but the Honourable Member really wants to see the dark side of the picture through his dark glasses. He is estimating the situation more correctly than my Honourable friend who sees even the darkest side in his humourous vein as a light one.

Now, let us take these things one after another. What are the things under control? Take kerosene first. It is said if you remove the control, kerosene will automatically flow like ganges in the villages. Food may be available in the villages; it can be produced; but is kerosene produced in the villages? Kerosene goes from the top through various channels to the town. Kerosene and cloth are sold only in towns and to villages.

Prof. N. G. Ranga (Guntur *cum* Nellore: Non-Muhammadan Rural): What?

Sri M. Ananthasayanam Ayyangar: I will tell you; they are sold to villages. My Honourable friend, Prof. Ranga, in his enthusiasm forgets the language that I used: they are sold to villages, but are not sold in villages. The whole complaint is this: we have not forgotten that we belong to the middle class here. To rural classes we give our lip sympathy.

Prof. N. G. Ranga: Question.

Sri M. Ananthasayanam Ayyangar: In my place, which is lit by electricity. I want kerosene for various purposes. My Honourable friend, Mr. Sri Prakasa, is labouring under the same difficulty. If the control is removed, I will purchase ten tins for my own house, where I am getting half a bottle per week now, and villagers will not get anything.

Shri Sri Prakasa: No.

Sri M. Ananthasayanam Ayyangar: It is only because of control that they get something. We are doing lip sympathy; my Honourable friend is the owner of 200 villages and therefore I won't accept all this from him. I don't mean to say that he is dishonest; he is subconsciously a capitalist. I know the difficulty; there won't be a single drop of kerosene sold to all these villages. I had to fight over the question of distribution of kerosene to villagers. There was a quarrel between the villagers and townsmen. I made a compromise—for huts one unit, for terraced houses two units in villages; where towns are lit by electricity, give half a unit. Today we are speaking in their name, not on their behalf.

Now, take sugar. My Honourable friend says that villagers are not having sugar, although many villagers take it. Then he complains that because sugar is controlled therefore it is not produced in abundance. I come from a district where plenty of sugarcane is grown, and my complaint is that sugarcane is grown at the cost of cereals; where foodgrains have to be grown, they are growing sugarcane. Jaggery yields much larger prices than either sugar, or cereals or rice. I wanted the Provincial Government to take power to regulate the acreage under crops other than cereal crops. They have not done so. Today if you remove all controls over this and allow sugar to come into the market and sugarcane to be grown freely, I can assure you, Sir, you and I will only have to eat sugar and drink sugar juice. There will not be any wheat or rice in any corner of this country. My Honourable friend, Mr. Sri Prakasa, has said as soon as controls are removed all these things which are controlled will come out like ghosts; all these things which have been suppressed and are in the underground for blackmarketing purposes will suddenly jump up. I am very sorry there is bad logic in this. Have you taken statistics of agricultural production in this country? Has it increased? My Honourable friend, Mr. Gounder, wants us to go back twenty-five years but he forgets that in these twenty-five years he has produced ten children and one hundred grand children! The population has increased.

Shri Sri Prakasa: Have control on that.

Sjt. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): It is too late now!

Sri M. Ananthasayanam Ayyangar: To poor people unfortunately God has given plenty of children; the lower the standard, the bigger the family.

Therefore, Sir, I am opposed to removing control with regard to sugar.

Cloth: It is true that raw cotton before the war was being exported to Japan and we were receiving 25 per cent of our cloth from Japan and Manchester or Lancashire. Now that cotton is not readily being sold to Japan, my Honourable friend, Prof. Ranga, is anxious that the cotton prices should

[Sri M. Ananthasayanam Ayyangar]

go up. How long are we going to say that we must send away raw produce to foreign countries and then import their cotton cloth and other things? Should we not manufacture things ourselves. We must industrialize our country and use even the short-staple cotton completely for making our country self-sufficient, and we should even capture the markets which were originally flooded by Japanese goods. The Eastern market is thrown open to us; the Western market is there; but we are applying our minds in the wrong direction. Our capitalists—I have no quarrel with capitalists and millowners, but I must say that industrialists are not real industrialists; they are *baniyas*—did not know how to use the short-staple cotton before the war. It was being exported to the Continent of Europe, and Germany was mixing up short staple cotton with long staple cotton and was thus converting all short-staple cotton into fine thread and was exporting it to our country. Some such thing must be done; research must be made in that direction. I would be glad if all our raw produce is utilized in our own country. If controls are removed, I would say that in the long run our country will go to ruin both in the external market and in the internal market. The only question is how to increase the production. When the production is increased, these controls may be removed, but it will be a long time before this can be possible.

Even as regards sugar. I do not know if sugar magnates are here, but as the House knows we have imposed restrictive duties on the import of sugar. If tomorrow control is removed and Java is allowed to import sugar, I and my Honourable friends would ask for protection again. I want control both internal and external. If you take one step it has got various repercussions. We only look at one aspect and say today we have not had enough sugar for tea or coffee, and therefore this control should be removed. I am very sorry we are not applying ourselves to the necessity of controls inside and outside in the best interest of the country and in the best interest of the mute and dumb millions who inhabit this country. We have no right to speak in their name. If controls are removed, all the cloth which is available to the poor people, will disappear. Hereafter I will not be satisfied with 12 yards of cloth; I have sufficient money and therefore I won't be satisfied unless I had 48 yards for my family, and so all the rich men will purchase all the cloth and all the poor half-naked will become fully naked and half-starved will become fully starved. You have to vote for this: If controls are removed, this is what will happen. All the difficulty has arisen on account of the Honourable Member himself unwarily having said a number of months ago that he was against all controls. It is unfortunate. He was not under control then; he is under control now; he is in the Cabinet; he feels the responsibility now. He has changed his attitude now; he is thoroughly satisfied that controls ought to exist. I agree with him wholeheartedly. Therefore I request my Honourable friend not to press this motion to a division.

Dr. Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I was rather amused by the remarks of my Honourable friend Mr. Ayyangar. Does he or does he not believe that it is impossible to enforce control unless the stocks are controlled?

Srijut Dharendra Kanta Lahiri Choudhury (Bengal: Landholders): And also control corruption.

Mr. President: Let not Honourable Members interrupt the speaker. Let us hear the arguments, if we are serious on the debate.

Dr. Zia Uddin Ahmad: This follows will he agree to my postulate or axiom that. . . .

Sri M. Ananthasayanam Ayyangar: *Koran* or the Bible?

Dr. Zia Uddin Ahmad: I am not quoting scripture. Control of prices without control of the stock is like putting the cart before the horse. What steps have the Government over taken to control the stock. If the control of stock is not a possibility it is useless to make any attempt to control the prices, because by this means we will only increase corruption.

Sri M. Ananthasayanam Ayyangar: Cloth production, stock, everything has been controlled.

Prof. N. G. Ranga: It is all on paper.

Mr. President: I would ask Honourable Members not to interrupt: I do not propose to permit it. It would be better for the Honourable Member who is addressing the House to address the Chair.

Dr. Zia Uddin Ahmad: Sir, I love interruptions. I entirely agree with my friend Mr. Sri Prakasa when he said that Prof. Ranga ought not to have excluded food from his cut motion. As I said during the question hour there is difference of opinion between this side and the other side. The other side thinks that the Food Department should exist so long as there is shortage of food and we on this side believe that the shortage of food will continue to exist so long as the Food Department is there. That is what I call *petitio principii* or argument in circle. With this difference of opinion we have no alternative but to request you, Sir, to give your ruling and solve the problem of reasoning in a circle.

My Honourable friend Mr. Sri Chand came to rescue when he said very nicely that control and corruption are the same thing. They are in fact convertible. Where there is control there is corruption. If we agree to this, the problem is solved. The question is whether you want corruption or not. There will be only one reply even from the treasury Benches: We do not want corruption. The logical consequence of that is that there should be no control.

My Honourable friend Mr. Sri Prakasa raised another point. In fixing a reasonable price the cost of production and cost of purchase are taken into consideration. But there is one item of expenditure which is entirely omitted from the calculation and that is responsible for the black market. When a man buys a thing he not only pays the price but there is an enormous overhead charges which can't be shown on paper, and these charges are known as *pugri* in Bombay. It is not that the Government is officially entering into this corruption. There are various other items. My friend Chauthri Sri Chand gave details of all this expenditure which every shopkeeper has to pay in order to bring the article to his shop. This amount is not really considered when the sale price is fixed. If you add these you will find that it is impossible for him to sell it at the controlled price. The result is black marketing. It is really forced upon the shopkeeper. "You create a position on one side where black market is inevitable if the shopkeeper were to make his two ends meet and on the other side you launch on an anti-corruption drive.

Bar Kinare Qa'ar darya takhta bandam Karda-i-Baz miqoi ke daman tar makun hoshiar bash

It means "You have really bound me together on a board which is floating on water, and you say 'Be careful, do not get yourself wet' ". The only thing that is possible is to leave the country alone and let us follow the natural course and stop all kinds of control and corruption.

There is one point which probably the Government has not explicitly looked into. The food and clothing of different provinces are not the same. The trade has been accustomed to supply the right quality of food and clothing to different provinces. But the officials in the Supply and Food Departments take the pencil and paper and allot whatever food is available to the people who need it, irrespective of their customs, and habit. Wheat is

[Dr. Zia Uddin Ahmad]

allotted to Madras where they eat rice and in Delhi where we are used to wheat are made to eat rice. The trade has the experience of centuries behind it and it is not possible for the civilian officials in the department to acquire the experience or knowledge in a few months.

The same is the case with regard to cloth. The requirements of the provinces differ. The trade after the experience of centuries know the requirements of the different provinces but this is entirely overlooked in the Government's programme of control and distribution. They only consider the arithmetic and work out with pencil and paper so much millet for so many people at such and such rate *per capita*. This is a very important factor which should not be overlooked. People in better circumstances require less food but better quality but the labouring classes require more food but of inferior quality. This fact is entirely ignored and no distinction is made whatsoever. This is a thing which the trade has learnt from their experience of ages. Do not fix the quantity. Fix the price. Say you are allowed to buy for so much money. Poorer people for the same amount will get more food and cloth of inferior quality and richer people will get better food and cloth but in a smaller quantity. I have asked many times what is the use of giving sugar to the village people. They are not accustomed to take tea. Very few villagers have drunk tea. Sugar is really essential for tea. For other kitchen purposes sugar is not required. The other varieties of sweet are good enough. Your saying that this should be given to everybody is wrong. The villager will be happier if you give him four times the quantity in gur instead of one-fourth the quantity in sugar for the same price. This is a factor which it is impossible for the Supply Department or the Food Department to consider. You leave the people alone. The trade, from experience, have learnt what particular thing and in what quantity is consumed in a particular locality and automatically they transfer it. The transport also is the minimum. By your methods the transport becomes very great. You insist, for instance, that the quantity of wheat to be supplied to Hyderabad must come from such and such locality. When you say that certain articles to a Province must be supplied from certain sources alone the transport problem gets complicated. And the people have to wait for their supplies till the transport is available. I have said repeatedly that though it is easy to supply foodstuff from one province to another it becomes difficult because they have readily to consider not only the one side traffic but the traffic from both sides. This thing will be automatically adjusted if all these restrictions are removed. The transport difficulties are the creation of the control system. If the control system is abolished transport will be eased to a very great extent, because these things will be shifted where the wagons find sufficient goods on either side.

We could understand the system of controls during war time. We accepted that military requirements should come first and civilian requirements must wait. We abided by it. We said that whatever we grow may go to the soldiers who are fighting in the front and let us have starvation, we did not mind. But when the war is over, when there is no supply of special food for the Defence Services, I see no reason why we should continue the system which we really devised during war time. In war time it was a necessity. But there is absolutely no necessity now to continue it.

I said on the floor of the House on one occasion and I repeat it today: somebody asked on the floor of the House 'How long will controls continue?' I replied 'They will continue so long as they remain a paying concern to the officials'. During the war they kept control in the name of soldiers. After the war they are going to keep it in the interests of the villagers. The first was perhaps necessary. The second is absolutely unnecessary. The fact is they have the system for their own benefit. During the war time they used

the soldiers as the nucleus or fulcrum to press their demand for control. After the war they are now appealing in the name of villagers, and poor people for whom nobody sheds any tears, and in the name of these people they want to keep the controls in order to feed the officials. I was surprised at the speech delivered by my friend Mr. Ayyangar. I have great respect for his views. But I was surprised when he said in the name of the villagers whom he said ought to be fed with at least some sugar, and without these controls they will not be having any sugar. This reminds me of what one of the Moghul Emperors said when there was a great famine. He said 'All right, the poor people must be having one plate of *pulav*'. He is thinking of the sugar for these poorer people and forgets the major question that they do not get what they want. Does he consider it a just system of distribution that Madras should send to us here all its rice that we do not need and we send all the wheat away?

Sri M. Ananthasayanam Ayyangar: I do oppose that all the rice should be sent from Madras to here and the wheat should be transported from here. But even if you get all the wheat from the south, you still have to be on ration. That is my point.

Dr. Zia Uddin Ahmad: Question. The other thing which I repeatedly said is that if you really want to help the poorer people, increase the supply of cloth by producing more yarn and keep the cottage industries going. Then the poor people will get enough cloth for themselves. As regards food, I assure everybody that there is enough food in the country because I see everyday only a mile away from the town, people are feeding their cattle on wheat. They have no restriction whatsoever. While we cannot get this wheat from the village they are feeding their cattle on it. And we are starving. How can we swallow a distribution of that kind? It is happening only about a mile away from towns. The sooner such distribution is abolished the better, because a distribution of this kind is really a curse of the administration.

I think anybody who is familiar with real conditions and who is honest to his voters and who is an elected representative of the people cannot remain without condemning this control system which is really not in the interests of anybody except in the interests of those who are actually administering the control.

Babu Ram Narayan Singh (Chota Nagpur Division: non-Muharamadan): (The Honourable Member spoke in Hindustani. For Hindustani text see Appendix to the Debates for the English translation given below.—*Ed. of D.*.)

Sir, a great many things have been said and I have nothing new to add. There is, however, one thing which the Interim Government must know. It was a foreign Government which imposed controls and the reason why they were imposed carried some conviction with it. The merchants and shopkeepers of those days all helped the Congress. The Government thought to reduce the influence of the Congress by replacing all that sort of businessmen by a new type. That was thought at that time and it came to be true. Controls came and it is quite correct that they ruined all old businessmen and in their place new type of businessmen came into being. They were brought in by laying down that only those shopkeepers could sell controlled articles who held licence and the licence was given to brothers and nephews of the officials or to those who filled their pockets with money. Under such circumstances the Interim Government should have abolished these controls. They should have abolished what the late Government had done. It is very painful to see that the present Government have upheld the old regime. As already said it is a matter for great sorrow. I know that all our leaders who have formed the governments at the Centre as well as in the provinces were of the opinion that controls should be abolished. Many of them personally told me so. Now on taking charge of the government they instead of correcting the officials of the different departments were themselves influenced by them. It appears that

[Babu Ram Narayan Singh]

even the upright men have become the disciples of the officials of the Government. They ought to have reformed these departments, put them on the right path and if they had proved too rotten they should have abolished them. But, instead of doing this they have become their followers. Sir, I am a villager, I know their case full well. Go wherever you like in India. Go from one corner to the other. You will find everywhere a hue and cry against the controls. The most painful of all this is that we, who sit here in this House, call ourselves the representatives of the people and the present Government call itself the representative Government and yet the controls are maintained. It has no right, under the circumstances, to call itself the representative Government. It should give up this pretension. Let us take votes on what I have said. If you do not want to take votes here let us go to the Country and take vote of the people to see with whom the masses are. If the present Government do not want to go by public opinion it should either resign or do as the people wish. There is no doubt that the cause of controls is corruption. They, however, say that an anti-Corruption Act has been passed. We understand it. They, too, know it full well; but it is a pity that on going into the government they have forgotten it. One day a gentleman from the city took me to the town to show what sufferings people have to bear at ration shops especially at shops where cloth is rationed. I will not repeat what Mr. Mukherjee has already said in this connection. I, however, went because my friend asked me to go with him. I went notwithstanding that I know everything. I went to know what people say. I asked one of them and he said, "Sir, I have been waiting here since morning. I will get when my turn comes and the turn will come after this and that formalities have been gone through. Then only I will get."

Dr. Zia-ud-Din has said that our country had so many people and that they needed so many things. If they have not the power to manufacture things according to the needs of the people why do they make haste to control them? If they cannot control rightly they should not maintain those controls. I may tell you, in this connection, that the whole country is being given to corruption. In each province, in each district an advisory board is set up; then there are sub-divisional boards and *thana* advisory boards. In every board every member desires that ration shops may be given to his brothers and nephews. Control and corruption are one and the same thing. There is not a bit of difference in them. We must bear this in mind. I will not say much. I know this much when paddy was harvested in our district for two or three days it was seen in the bazars. Previously rice was sold dear. It had reached almost the controlled price. Then police officers came there and forced the shopkeepers to sell it at the control rate. The result was that rice disappeared from the bazar. For what purpose else are the C. I. D. and the police department! Everybody knows that there exist two kinds of markets. One control shop where one cannot get sufficient to eat. Persons like me can live on two or three *chattaks* but many people cannot live without eating 5 to 6 *chattaks*. They have to go to the black market which is open. If the Government is honest why do it maintain controls? Controls have failed. Why do they insist on maintaining a thing which they cannot enforce? They, in fact, do not want to keep them, Sir, I must say that our brothers, the Ministers of the Governments are lost in a labyrinth. I openly request that either Rajaji should proclaim the abolition of the controls today or he should resign. If he persist, let a plebiscite be taken. At least take votes from the Delhi masses. You will find that people do not want controls. I can say regarding controls that out of the 80 per cent poor people of the country 79 per cent will vote against the controls when the people do not want controls

why do Government want to maintain them? This is not proper. Controls must be abolished. It must be announced today that the controls are abolished. If not, a plebiscite may be held. If the masses vote against the controls, you should not thrust them on the people. Government's argument in favour of the control do not seem correct. Sir, I am also a vakil and when vakils agree they try to pass off a sheep as a goat and a goat as a sheep. If the Government are honest and have trust in God; they should not hesitate in announcing the abolition of controls. There is not a single man who can honestly say that controls are needed. Those of us who have gone over to the Government seats are entangled in the meshes of their departments and have become the disciples of their officials. I say it with full emphasis and I hope other members will join me in the protest and Rajaji will announce the abolition of controls. I am sure in the heart of his hearts Rajaji believes that there should be no controls. May be Rajaji may not condescend to lift the controls under pressure of the advice of the officials of his department but he will have to abolish them. If not today after ten or twelve days the controls will have to be removed. Why not remove a thing at once against which there is so much clamour? The Government's argument that there is a shortage in the supply of things is absolutely incorrect. "Unless there is nine maunds of oil Radha will not dance". It cannot be that the country may have all the things in plenty. It is not right to say that the controls will be abolished when shortage of commodities does no longer exist. One or the other thing will be in shortage. There is no doubt that there will be some shortage of commodities for a few days on the lifting of the controls but this will not continue long. The business of the whole country is being ruined in an unnatural way. I therefore support Prof. Ranga's Cut Motion. It is not in connection with the articles of food but it is a sin in our country to control the food commodities and those who maintain controls are sinners.

Pandit Lakshmi Kanta Maitra (Calcutta: Non-Muhammadan Urban):

Sir, this motion raises an issue which is very vital to the day to day existence of a citizen. The debate that has so far been raised on it has displayed one thing, and that is the impact which the control system has had on the minds of the Members of the Legislature. I think the Honourable Member in charge of the Department has got some indication of the volume and intensity of the feeling on this question of control. I quite admit that the question bristles with all manner of difficulties. The question may be viewed at from different points of view and it is necessary for us, the Members of this House, to balance the pros and cons of this case with meticulous care and then come to a decision. I think my Honourable friend, the Member in charge of Industries and Supplies, listened carefully to the speech of my Honourable friend Mr. Sri Prakasa, who is now busily engaged in talking, in which he made a very passionate appeal to the Treasury Benches to allow them at least on this question a chance to go to its final issue, namely, the final decision in the Ayes and Noes lobbies. My friend thinks that he is on very strong ground and that the House will be with him. But his purpose is certainly not to pass a vote of censure on Government. His purpose is to impress on the Department the necessity either of completely abolishing the system of controls or to bring it into line with the needs and the necessities of the situation. I am not unmindful of the case for the retention of controls by the Government. I am one of those who in the old Assembly days watched the gradual introduction of the control system in this country and also systematically opposed it as it was my impression then—and the impression has not been dispelled even now—that once you get into a system of controls and you start controlling commodities, it is the control itself which assumes the control over you and cannot get out of the control yourself.

Now, let us take the Government's case. What is, after all, the Government case? Government say that the war time controls were imposed by

[Pandit Lakshmi Kanta Maitra]

the necessity of war situation and with the cessation of the war there has been a progressive release of controls on commodities; some of those powers have lapsed and the Government have not taken any steps to get back those powers again to tighten up the control. They may easily say that they have de-controlled so many commodities, about 30 to 35, and the control which they have still retained is only in respect of a few commodities. But these commodities are essential commodities and they enter into the existence of everybody, and they have also in their favour the verdict of this House. I was not here, but, I think, it was during the last session that they brought forward a Bill which was enacted into law forthwith. I do not know what kind of arguments were then raised because I have not seen the report, but they got the Essential Powers Act passed into law. By virtue of that Act, they assumed control over certain commodities. It is not that they had already divested themselves of this control, but they got their hands strengthened by the verdict of the House

Mr. President: The Honourable Member can resume his speech after lunch.

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

The Assembly reassembled after lunch at Half Past Two of the Clock, **Mr. President** (The Honourable Mr. G. V. Mavalankar) in the Chair.

Pandit Lakshmi Kanta Maitra: Sir, I am afraid I have clean forgotten how I began and where I left when the House rose for lunch this morning. I have got a lingering impression that I was explaining to the House the case of Government for the imposition of controls and the maintenance of controls. Briefly speaking, the case rested on two facts, firstly, the Government wanted to explain and that was their case. They have explained from time to time in their press statements that they were pursuing a policy of gradual decontrol, as visible from the number of articles from which controls have been lifted, secondly the point in their favour is that control that they are now exercising, they are doing so by virtue of an Act passed by this legislature in November last, so that the policy they are now pursuing has got the backing of the House. Now, Sir, the sheet anchor of the defence of the Government for the maintenance of controls is this:—shortage of supply of commodities over which control has been imposed and the raging inflation in the country. I will first deal with the question of inflation. This inflationary process in this country started since 1942 after Japan entered into the war and the impact of Japanese aggression completely dislocated the entire financial structure of the Government of India and they had to pursue a policy of inflation. I may say, deliberately, because they had to secure goods and services to their country which they had to do by pumping money indefinitely into circulation against the sterling balances that had been accumulating in the Bank of England. Ever since the inflationary process started, we in this House raised protests from time to time asking the Government to be very careful. But, Sir, the government of those days had their own ways and the result was that by the year 1943, it was not only a process of inflation, but it was a process of galloping inflation. Temporary expedients and make shifts were adopted from time to time to check this tide, but with no results. Even today, the inflationary process continues. The position is this, it is a vicious circle. The prices chase the inflationary spiral and the inflationary spiral chases the prices. That is the position which every economist in the country has got to take note of. Now, Sir, in this country alone we find this process of going on. What is happening in America. In America also there have been increase of wages, increase in cost and so forth. But are they going, through this inflationary spiral? I emphatically maintain, no, because their increase in wages has led to increased production.—acceleration in production which eventually has

led to reduction in prices. But in this country, we all find ourselves involved in a vicious circle. There is dearth of commodities, prices soar high, labour demands increased wages, and grant of increased wages goes to increase production costs, and because production cost increases, there is a further demand for still higher wages, again there is the same concession made, and the prices again soar and so we move round and round this vicious circle. I now want my Honourable friend to realise this position. I am not in favour of controls, I am not enamoured of controls, neither am I against controls. I want to ask my Honourable friend here and now, will he make up his mind and tell us what is the policy of Government which they are going to pursue in this respect? Are they going indefinitely to pursue this policy of moving round and round this vicious ring or have they set up a plan by which they can break this somewhere? There may be attendant risks, but that risk has got to be faced. Sir, this is the argument so far as inflation is concerned. With regard to shortage of goods, goods in short supply, I am aware that because there has been a fall in production, there is shortage. I am also aware that the Government cannot count upon imports though from press reports I find that imports are gradually trickling into this country, and they are not altogether negligible. Assuming there are no imports, I am prepared to show to the House if I get the time that within the present capacity of the industry, we can meet our requirements to a considerable extent and even by a process of decontrol we shall not be so hard hit as my friends apprehend. Let us take the cloth industry. What is the position of the textile industry today? I carefully listened to the speech of my Honourable friend yesterday and I tried to intervene in the debate with regard to yarn supply, but unfortunately I could not catch the eye of the Chair. The total production of cloth in this country has been on an average 4,800 million yards. That is mill production. Add to it hand loom production, which comes to about 1,500 million yards. Now the two industries, mill and hand loom, put together give a total of 6,300 million yards of cloth. Taking the population of India as 400 millions by a process of simple arithmetic you get to yards *per capita*. The productive capacity of Indian mills is never less than 4,800 million yards. I make bold to assert that with regard to hand loom, if we get up-to-date information, the production may be more than 1,500 million yards. I tried to get from the Honourable Member through supplementary questions up-to-date information about hand loom production, but perhaps his department has not got the latest information. Now, Sir, this is the position of cloth industry in India. How are Government controlling the cloth industry? Government say there is a justification. They say that they do not control distribution, the Central Government make certain allocations to the provincial governments on the recommendation perhaps of the Textile Board or some other agency. The recognised buyers or purchasers of the provincial governments take them over and retail sales are handled by a lot of people who are permitted by the provincial governments to handle them. As soon as you make that provision, do you realise that you at once open up the flood gates, of corruption jobbery and nepotism? You have got to face up to them. Secondly when you do that, do you completely absolve yourself of all responsibility in the matter of distribution? My one main objection to this system of control is this. It places the Honourable Member in charge in a peculiar position. If there is no catastrophe, if there is no serious trouble, full credit is with them. They impose controls, they maintain controls, therefore we have not been hard hit. If there is maldistribution, people are hard hit, they clamour. Then the Central Government says, look here, there is your Provincial Government, we have nothing to do with it. During the few days that I have been in this Assembly, I tried through supplementary questions to elicit information from the Honourable Member as to the nature of control that the Central Government exercise over the provinces in this respect. Do the Government of India think that their conscience will be satisfied when they simply allocate a certain quantity of cloth or any commodity to a particular province and would they not care to know how this

[Pandit Lakshmi Kanta Maitra]

allocation actually reach the people? Do you care to consider whether and in what way your allocations reach the masses,—the man in the street, the man behind the plough, that great sub-stratum of society which today feels the greatest pinch on account of this shortage of supplies? As I have shown, the cloth position itself is not menacing; I am sure there will be some difficulty in the initial stages but in the long run rather than in the short people will be more benefited by the lifting of the control on cloth. In any case it will not be a fatal matter if the control is lifted just now.

Then I come to iron and steel with regard to which Government have got absolute control, the rigidest control possible. What is the position in regard to iron and steel in this country? The normal consumption here of iron and steel before the war used to be somewhere in the neighbourhood of one million tons, of which seven lakh tons was met by indigenous production and three lakh tons by imports. I may be told that imports are not coming now. But at the same time I want to impress on the Honourable Member that owing to the exigencies of the war our production was accelerated, and today the capacity of the iron and steel industry is something in the neighbourhood of 12 lakh tons. This quantity that is available in this country they have divided into two parts; one is for the railways and the defence services, the railway quota to be exclusively operated by the Railway Board. With regard to the other part they have allocated it according to scheme with six or seven items in number. I have examined them and found that they come to something like 7½ lakh tons. Of this quantity of 7½ lakh tons allocated to the other groups 2½ lakh tons go for the general public including small-scale manufacturers of consumer goods. Then comes the second category,—1½ lakh tons for industries,—maintenance of industries and packing and the rest of it. Then 80,000 tons have been allocated for the purpose of development projects of the Central Government, the provincial and State Governments and so on; I will not go into details. But it all makes up the quantity of 7½ lakh tons. Now I want to ask the Honourable Member one question: if he releases the control over this commodity what misfortune is going to befall this country?

Then let us come to cement. The House will perhaps be interested to know that before the war the production of cement was 7 lakh and 80 thousand tons; and after the war there has been a staggering improvement in production which now stands at 2 million tons. And it has been increasing even more since. What is the sense in controlling cement today? Then take the case of coal. How is coal controlled by this Government? At the pithead they fix the price and there is an agency which allocates to the different consuming areas. I dealt with the question of coal at considerable length in connection with the railways. I believe that that is the greatest bottleneck that you have to face in all your development programmes and schemes; it is going to make your domestic life impossible because there is such an acute shortage of coal. I can tell you that today we are not really short of coal; there is no shortage of mining labour. The only difficulty is that of transport; and if that is solved it will be solved not only for the benefit of consumers but for the benefit of the manufacturers and industrialists as well.

Then take the case of sugar. Up to the war we used to manufacture about one million tons of sugar. The war also led to considerable acceleration of production. Today the productive capacity of the industry is something like 1 million and 84 thousand tons. And I can tell the House that as a member of the Public Accounts Committee in those days I found that we used to export a considerable quantity to the countries of the middle east. Today we are in such a position that we can easily dispense with the control on sugar and there will be no catastrophe if the control is lifted. I also want to remind the House that the consumption of *gur* has risen from 2.5 million tons in 1934 to nearly 4 million tons now in this country. *Gur* comes in addition to sugar, and besides this, there is *khandsari suga* which is mainly the product of the U. P., which

comes to nearly a lakh of tons. Therefore I am inclined to think that there will be no trouble with regard to sugar.

Then I come to kerosene. It passes my understanding that even at this stage they should maintain control of kerosene. Today in a supplementary question I wanted to know from the Honourable Member whether it was not a fact that there was a regular glut of kerosene in the ports. It is not the Government who want to control it; the people who really want control are the merchants who say they are short of containers and do not want the control to be lifted now as they cannot cope with the supply which is ample. I want the House to consider whether that kind of argument should prevail with the Honourable Member. In a press statement issued some time ago the Honourable Member indicated that the pre-war offtake of kerosene oil was seven lakh tons and by December 1946 they had restored about six-sevenths of the pre-war offtake. Even today you go to the villages and small towns and you find that people do not get anything like kerosene and when they get it, they have to pay fancy prices for it. Then I come to paper.

Mr. President: The Honourable Member has taken about 18 minutes already.

Pandit Lakshmi Kanta Maitra: Sir, I will finish in two minutes.

In paper, our production before the war used to be 53,000 tons and now we produce about 90,000 tons. In strawboards and paste-boards we produced 8,000 tons before the war and now we produce 24,000 tons. I know the control on newsprint has been lifted but there is no necessity for control on white paper.

Sir, before I conclude I want the House to consider one thing and I ask the Honourable Member also to consider this. I have considered the hardships and privations which the people have so far put up with. But there is another aspect to which I want to draw attention. The Honourable Member must realise that some day he has to lift these controls; if so, when? If he wants to wait for the day when there will be adequate supply he will be simply putting off the evil day. He has to face it some day; and now is the time to face it. Let him also consider the demoralisation that has come over the country. I want the normal trade channels which have been silted up and closed to be revived. Trade should follow the normal course and it should mainly be controlled by the normal laws of demand and supply. I want to bring that position to the notice of the Honourable Member. After all you have taken away the occupation of not a small section of the people of this country. Unemployment is facing the country; you will be demobilising lots of people now, and where are you going to find occupations for them? Today all avenues of trade and commerce are closed to them. If anybody wants to do any trade he can do it only in grocery and that also in spices only; you cannot trade in cloth, sugar, kerosene, coal, paper, cement, iron and steel or anything else. Therefore I say you have taken away the normal avocations of life from thousands and thousands of people. In India that we visualise today we want trades to grow and thrive: we want the normal trade channels to be resurrected and to function. I therefore appeal to the Honourable Member to balance both sides. I have tried to place dispassionately before the house both sides of the question, the case for and against control; and on striking a balance my view definitely is that the time has now come when the Honourable Member should take courage in both hands and say that these controls must cease.

Sjt. N. V. Gadgil: Sir, I heard yesterday and today speeches which have amused me and some of which have undoubtedly moved me. I have heard arguments both for the retention of controls and for their removal; and I am trying in my mind to define my own attitude towards this question. And the one principal question that I ask myself is whether I as a citizen of this land am not entitled to certain primary necessities at fair prices and in sufficient quantities. I do not mind for the time being whether supply of these primary

[Sjt. N. V. Gadgil.]

necessities is secured to me by following a free economy or by following a controlled system under which in some cases prices are controlled, in some cases production and distribution are controlled. When I look at this question, I naturally try to think out what will be the position if the controls are removed, as has been urged by some of my friends here and now. If my friends agree with me that it is the duty of a modern State to supply primary necessities of every citizen then I submit, Sir, that every citizen must be given adequate food, sufficient cloth and sufficient accommodation. I do not want to extend the list of primary necessities to more than three, and I will apply my mind to each one of them in the context of present circumstances.

As I find from the actual wording of the cut motion, food is already excluded from it. On the question of cloth I find my Bengali friends keen on retention of control because they know what its removal means. As regards accommodation, I think the whole House was unanimous when the Bill for the control of rent was under discussion. So I think that in the final analysis if every one of us is prepared to look into this question with reason and without passion or emotion, he will have to agree that in the present circumstances it is dangerous to remove control so far as these three necessities are concerned.

Just imagine what will happen if rent control is removed? I do not think there will be a single member of this House who will agree to this proposition namely that all controls should be removed whereby it means that control over rent should be removed. But every one of them is looking at this problem from a particular and a specialized point of view. In Bombay 60 per cent. of its population is living in one-room tenement and the average number of occupants in each one-room tenement is 5.6. If control is removed, rents will go high and the saying of the Sanskrit poet will come true. What will happen will be, as has been said by the poet:

Shaiya bhumitala Dishopi Vasanam, Dnyanamrutam bhojanam.

There will be no house but *Bhumitalam*, i.e., mother earth, will be the bed; and for clothing *Dishopi Vasanam*, i.e., four quarters of the world; and as for food *Dnyapi bhojanam*, i.e., knowledge if there be any. But that is not the state which a Government responsible to the people can contemplate to happen.

Now come to the second category, namely food. Mr. President, you remember that last year when this House was discussing food situation, the Government accepted as its responsibility to see that every citizen in this country got food in sufficient quantity and of requisite quality—these were the words used by the Honourable the Food Member. If they have not been successful so far, then we must ascribe the failure either to the policy of control which they are following or to the inefficiency of the machinery. Now it is an accepted fact that India has not been able to produce enough to meet her normal requirements not only of a balanced diet, as laid down by Dr. Akroyd, but even of austerity diet namely of 11 oz. per day *per capita*. If you remove control so far as food is concerned—although it is not contemplated in this particular cut motion—I am sure that there will be sectional famine—I have no doubt about that. The rich will get, the poor will starve. I may here illustrate what is happening in the Bombay Presidency. A few months ago, the Bombay Government imposed control of jaggery—*gur*. There was such a hue and cry throughout the province and speeches on the lines on which some of the speeches have been made today were made from the platform; articles were written; and no abuse was considered indecent so far as the ministers were concerned. Some of us were consulted and particularly some of us were against removal of control because we believe that in the post-war world there is no place for full play of free economy. Queues and quotas have come to stay; let

us be certain about it. It is not true of this country alone but it has happened and is happening in every other country and wherever public workers or leaders of public have tried to monkey with the situation they have to come to grief. That has happened in America. The removal of control was followed by rise in prices several hundred times. Therefore let us reconcile ourselves to this fact that some sort of controlled economy has come to stay. When the discussion about nationalization was going on here,—I quite remember the speeches and when I compare them with the speeches delivered yesterday and today—I find a sort of intellectual inconsistency. Most of us were so keen on nationalization of this industry and that industry, but do we realize that nationalization is only possible when there is a planned economy, and no planned economy is possible unless there is a system of control? I fail to see how on one hand you speak of nationalization under which you are prepared to believe that more social justice will be done, and at the same time you are asking for the removal of controls. Take sugar for the matter of that. Before there was rationing of sugar, a few people in villages used to consume sugar. Now sugar is distributed, although not in equal proportion but it is distributed in a fairly equitable manner. If you remove control today, the rich will continue to get it and the poor—some of them may not require it—and a large section of the middle class and a large section of the lower middle class will have to go without it or will not be able to purchase it in the same quantity in which they require. Listening to popular fury what a popular Government does is not always efficient and not always good. The Bombay Government removed the control on joggry and jaggory which was rationed and was being sold in the rationing depots at the rate of seven annas per seer, went up to 1-12-0 a seer within eight days. Only the other day the control on groundnut was removed and prices have gone 30 per cent. within 24 hours. We must understand that control becomes necessary when there is short supply. I fail to see that removal of control will bring forth more production. I am told that everything is available in the black market but if every one were to purchase in the black market, there will be shortage

of supply even in the black market. Therefore the question boils ^{3 P. M.} down to this. If there is short supply and if you want fair, just and equitable distribution, it is only possible under a scheme of control. When I say this I do not want to justify the administration of this policy. In fact when the Bill for the continuation of certain powers given under the Defence of India Rules was under discussion here, the Honourable Member in Charge of the said Bill frankly admitted that the administration was not satisfactorily done and that it would be his business to see that controls wherever they were retained would be worked with the utmost efficiency.

But what happens to us the common people? If you remove the control we are the victims of the merchants' avarice: if you retain the control we are the victims of the corruption of the officials and between these two our lot is becoming more and more miserable day by day. The feelings with which speeches were made today are an indication how the whole countryside is feeling about it. I am sure the Government will take note of this and when they feel that by adopting a free economy the essential necessities of life will not be available and if they are convinced that the retention of controls is necessary, they will see that the controls are administered with efficiency and honesty.

As regards cloth I do not agree to the extent to which it has been made out by some of the textile interests that there has been short production. They are particularly keen to show to the country (because Government passed a Bill prescribing eight hour day) that because of this legislation there has been shortage of production. Mr. President, you know Mr. Kandubhai Desai, the labour leader of Ahmedabad. He very recently published a pamphlet and the same was republished in an issue of the *Harijan*. He has shown there that before the war the number of working looms was two lakhs and today it is three

[Sjt. N. V. Gadgil]

laks and yet the production has not gone up in the proportion in which it ought to have. Why? What circumstances are likely to explain this gap? Only three days ago. Mr. President, I was in Bombay and I had a long talk with Mr. Kandubhai Desai and also with some of the authorities of the Textile Board. I learnt that the returns submitted by the mill owners are never scrutinised and verified. While I was travelling I met a gentleman who has something to do with the textile industry, in fact, he is the manager of a well known textile mill in Central India. He said to me (of course that was in confidence and I make no breach of confidence, because it is a matter of public importance) that he had actually shown that so many looms were not working whereas as a matter of fact these looms were working and their production was not shown in the returns. Where does this production go? I have it on the authority of a very respectful gentleman that a certain textile merchant in Ahmedabad paid one lakh of rupees to the railway authorities for getting ten wagons for removing a quantity of cotton bales from Ahmedabad to Peshawar to be despatched beyond the frontier. Only last year I had the honour to preside over the Praja Parishad of Jhanjira State. I was there for three days and the stories of smuggling I heard there, apart from their romantic aspect, did go to show that quite a large quantity of textile goods passed through Jhanjira port to foreign lands. So what I want to make out is that the production of cloth has not gone down so much as is sought to be made out. I do not want to refer to the prices or the profits made by the millowners. I hope that one day they will have to answer both in this world and in the other world in the near future, of course assuming that they believe in the other world. What I want to submit is that at the present moment I am not dogmatic about either having a free economy or a controlled economy. All I want to submit is that it is the duty of the Government to see that the supply of primary necessities is assured. The Chinese Emperor once asked the great Philosopher, Confucius what were the tests of a good government and the philosopher replied "Sufficiency of food, sufficiency of cloth and faith that justice will be done. If you can secure these three your kingdom will last till eternity". I have mentioned this story so that the members of the Interim Government may draw the necessary moral therefrom.

The Honourable Sri C. Rajagopalachari: Sir, I am very grateful for the most informing discussion that we have had. I particularly use the word 'informing', because in order to attain or attempt to attain the kind of Confucian state just now described by my Honourable friend Mr. Gadgil, it is necessary that the members of this House should participate in the responsibility and inform Government of their views in the matter. But when a responsible and earnest speaker like the last one winds up his speech with a formula of non-committal on either side, it is difficult to believe that one has been much informed as to the state of mind of the representatives of the people gathered here. Apart from particular members, let me attempt to share frankly my impressions with the House as to the expression of views which we have heard in the House. I thought at one stage that the whole House was practically unanimous for decontrolling. But immediately doubts have been raised by other speakers and I also noted the response given to those other speakers. Perhaps this is the most informing part of the whole business. I see that nobody has made up his mind.

A few days ago when I listened to the supplementary questions on a subject matter which related to the Commodity Prices Board, I thought that I saw a conflict of ideas. I had imagined people were all against control but here they were eagerly participating in the permanent arrangements necessary for permanent artificial control of prices. Everyone was eager to have a very good Commodity Prices Board, to have a very substantial programme for that Board and everyone appeared to feel that control was necessary for all time and

that the best thing to do was to make the best arrangements to suffer it.

Well, I have listened to many debates here, Sir, I hope the House will forgive me for talking in this strain: I am not complaining but I am explaining my difficulties and the difficulties of my colleagues also. We all have been listening to many debates on many subjects. I do not know what impression other people have, but I shall frankly explain my impression. It can be summed up in one sentence. We do not trust anybody in this world. We distrust the politicians of all grades from Government Members here down to the managers of co-operative movements in the villages, we distrust the officials, from the Secretaries and Directors-General down to the *chaprassis*. We do not trust the trade, from the capitalist down to the retail dealer in the village. We do not trust anybody. So all round it is an atmosphere of want of trust. That appears to be the unanimous and confirmed state of mind of most of us. What we should do under these circumstances is the problem of all Governments including those who would wish to reach to the Gadgil ideal. If there is a mistrust of everybody and every profession including the administrators how are we to arrange life in this country? But we must get on now. There is the question of supplies of the necessaries of life. That is the main thing. These can be supplied through one or other of two economies. As has been explained by most speakers, there is what is called free economy and there is the regimentation economy—free economy, meaning thereby, not that it is particularly a matter of freedom, but an arrangement in which the profit motive of men and the competitive economy that has been suited to that profit motive should prevail and govern matters. Everybody should be vigilant. Everybody is inclined to make such profit as he can. Let us try to make use of the laws of economy that arise out of these conditions. Let vigilance on the one hand, profit motive on the other hand and a free competitive economy to suit all this be allowed to come into play, full play, and let things be bought and sold and supplied as a result of the play of these forces. That is one method. The other method is let us regiment everything. Let us see how much we have in the country, how much we can procure and distribute. Let us see the growing population also and take it into account and let us fix the quotas and make the best machinery available for its distribution. It cannot be anything else. It may be a mixture of both these. But basically these are the two methods we can adopt. But for both these things we want certain conditions of character. We do not trust one another. If we want free economy, that is to say, the profit motive, we leave it to the people to manage as best as they can. In the case of regimentation we have to trust somebody. If the regimentation depends partly on the services of the trading community and partly on the services of the servants of the state, then the regimentation has to depend on the character of both these people. Nobody has yet evolved and recommended to the Government an arrangement by which we can in this country distribute everything entirely through the officials of Government. That would be complete 19 carat regimentation. It would not be possible in this country and in fact we do not trust officials to that extent. Unless we have an absolutely trusted body of officials it would not be possible to carry this out. It is evident that nobody thinks that we can secure such a condition even in an approximate measure. If the trading community also has to participate in the system of regimentation their defects also come into play. Hence corruption and black marketing about which we talk. These can be traced to the two wings that go to make this administration of control. The officials employed are corrupt we say, and the trade that we employ are also corrupt we say, and black marketing and misery have resulted according to the opinions of those people who spoke for decontrol. They say 'remove control'. I do not understand them to say that at once the Ganges will come up and flow with

[Sri C. Rajagopalachari]

kerosene and with all that we want. What they mean is we shall bear with the troubles that arise out of the free economy system; it is preferable to what is now going on. That seems to be the opinion of most people here. On the other hand it has been very aptly pointed out that there is inconsistency in our thoughts. It was very prominently brought out by Mr. Gadgil when he referred to the numerous occasions when nationalisation projects were offered as a remedy for all evils. Wherever there is any fault found the answer is 'why not nationalise?'. But immediately when we turn to the other side of the game we see all the trouble in nationalisation. We have some instances of nationalisation. The railways are entirely nationalised now. But everyday we find questions about tickets, about wagons, about coal in particular, and in fact the whole Legislative Assembly concerns itself often in the administration of the railways and we finally come to a deadlock in the matter. We find numerous difficulties, and it is not surprising that the Member in charge has to say 'I shall carefully examine the position, I will make enquiries and I shall do the best I can'. Well, Sir, if we nationalise, this will have to be done in every department of life. We will have to enquire into all of them in this House or similar Houses and go into them all in long debates and interpellations. Let me tell the House, Sir, that nationalisation is not an easy way out. We all desire it, because nobody wants other people to share profits. We want to share the profits ourselves and we want it to be distributed evenly. But the difficulties of nationalisation require examination in intensive searching detail. If the talk about officials day in and day out of the character which we have heard in the House so often be taken as justified, is it possible to bring about nationalisation? Let Honourable Members remember that the human material is common. We cannot make new human material in our country in a day over-night or even in a year. The same set of traders and officials will be there. We are all children of one family, the traders and the officials, with the same education and the same human inheritance—intellectual, spiritual and physical. If we are corrupt in one branch, and if we do not mind attacking the character of our people in any single branch freely as we have been doing in this House, then we are attacking all branches of our human material because all of them are the same. I beg of Honourable Members not to indulge in wrong perspective or in exaggeration. We do great injury to ourselves by indulging in such exaggerated attacks. I maintain, Sir, that the public service is not so corrupt as it has been described to be. I maintain that the trading community is not so corrupt as it is maintained to be. **Some Honourable Members:** Question.

The Honourable Sri C. Rajagopalachari: Question because you are not traders and because the traders are not here. If I had been in a company of traders I would have heard shouts of a different character. (Interruption).

Mr. President: Order, order. Let the Honourable Member proceed.

The Honourable Sri C. Rajagopalachari: Let my friends remember that the human material is the same. It is not as if persons become honest or dishonest as soon as they change over from one profession to another. Man is not so weak. He is strong and maintains his character, in whatever walks of life he is. And here let me put forward another word of caution. There are instances, we see every day I admit, of corruption, of error and of all kinds of wrong. But we should not generalise from single instances. One Honourable Member said that wheat is being given to the cattle in a neighbouring village. He said that wheat is being given to the cattle in a neighbouring village. He said 'it is being done near Delhi; go and see'. Another set of members say there is black-marketing in wheat because wheat is scarce. What does all this mean? It means only this that we are generalising from particular instances that we see on particular occasions, and we exaggerate our inferences.

One day a man may be trying to feed his cattle on wheat, for whatever reasons, God knows. It is probable that he might be making a demonstration to show that he is not going to sell wheat at the price which has been fixed by the Controller and he is rather prepared to give the wheat to the cattle rather than to the procuring officer. But it is wrong to imagine that every day he will feed his cattle with wheat instead of selling it at the controlled price. It is also wrong to infer that every official in the world is corrupt. We cannot have any Government, any control or any decent life if we have to distrust one another to this extent. Therefore we must proceed on a basis of trust, whatever may be the economy that you propose and it is only on a balanced consideration of advantages and disadvantages that we can come to some conclusions.

Now, I at once admit that I have been greatly impressed by the arguments. The theoretical argument for control is cent per cent correct, as soon as you show a shortage of supply as against demand. But I am deeply impressed by the amount of feeling that has been shown in the speeches that we have heard today and the amount of discontent that has been exhibited with the existing system of control. I know that many Honourable Members are prepared to put up with the evils that may arise out of de-control rather than bear with the evils that are going on under control. I realise the strong feeling in this matter and I shall endeavour my best to persuade all those whom we have to persuade in order to reach a policy in connection with this. Honourable Members should remember that Provincial Governments have expressed their views through their representatives on various occasions with reference to this question of supply and distribution of the necessaries of life and on those occasions we have always found that Provincial Governments strongly support control. Whatever the opinion of the dealers and the merchants may be, the Provincial Governments on the whole are rather for control. The States have also to be consulted. The Provincial Governments have to be consulted and all my colleagues too. In considering this question we will certainly take into account the feeling that has been exhibited in this House.

It has been said that it is probably not safe to remove control altogether and that it is the duty of the Government to improve the administration of control. That was the attitude one Honourable Member took up as the way out of the difficulty. It is true that it is our responsibility, but while recognising the duty, the difficulties of making a revolution of things should also be understood and we may have but to choose the lesser of two evils ultimately when we take all things into account.

Speaking for myself, I hold the view that a regimented life cannot be secured by coercion. It can be secured only by getting the law to act from within. Our country is used to a regimented life. Whatever other people may think, I hold the view that our people are quite used to a life of regimentation. But the method our people have been following in this regard through the centuries is different from the coercive processes that are now tried. A man cannot eat without a bath. He is horrified to eat without going through a bath. Regimentation comes into effect there. A man does not want to eat meat. He is horrified at the very sight of meat. There is no need for any order to prevent Mr. Sri Prakasa from eating meat. There are horrors created. Educative processes have been gone through during a long number of years in the matter of food, sanitation, sleeping and so on. Regimentation was good and useful but today all that has gone, we must remember. All the horrors have disappeared in most cases and regimentation is difficult in modern times and therefore it is that we find that these controls are not easy. In fact in an ideal State such as was described by Mr. Gadgil, people should be horrified to take 8 ounces, when they were allowed only 6 ounces from a shop. But that is not our position today. In this very

[Sri C. Rajagopalachari]

House, in order to escape difficulty we are asking on all occasions for more petrol for Honourable Members, more housing space and the like. Are we setting an example in this matter? I don't think so. I do not grudge whatever Honourable Members are wanting to get. That is our liberty and we can ask and we can get but I think control is something more difficult. It is something more difficult than getting privileges in this House. If we want the laws to operate in order to secure an equal and tolerable life for our people we will have to educate ourselves a great deal more. Hence I am inclined to think that it is not possible in our country to have a regimented life by mere imitation of what other people have done or by merely continuing what we had to do during the war period. We can only get it by a process of very slow education and a mixed process of trying all methods out.

Therefore we have been removing a number of controls and we are watching the consequences. Recently we removed the control over oil and oil-seeds and we have been watching very earnestly and anxiously the consequences. In some places prices have fallen. In some places prices have gone up, gone up not from the black market price. They have gone up from the controlled price. The black market prices no longer exist as black market prices, because the control has been removed. But the unavailability has disappeared to a large extent and availability has begun to show itself although at prices higher than the previous controlled prices. In many places they have gone down. But this is only a week's experience so far as oil and oil seeds are concerned and we should not generalise from a week's experience. By and by, we will have more data on which we can work. Similarly after hearing the House, I should be quite prepared to advise my Honourable colleague the Food Member who is responsible for sugar, among other things, to decontrol sugar. People will not die if there is a shortage of sugar. They will take *gur* or chew their fingers or do something of that kind. They will manage some how or other. Let us meet the shortage of sugar as a result of decontrol and let us watch the results. We have to proceed cautiously. I must tell Honourable Members that we cannot proceed rashly. Nor is it good to proceed rashly even if we could. Let us try decontrol on various articles and let us see the effect. We will live and learn from the experience. Departmental officers who were keen on control always put before us the classic example, as they call it, of steel. As soon as steel was decontrolled some time ago, it disappeared underground everywhere. We cannot experiment with essential articles in that manner. That is a sound argument but of course the argument against it that we cannot generalise from that one instance. However, the matter has to be carefully thought out. That reminds me of one point which I wish strongly to urge.

It is not right to imagine, much less is it right to urge that officials, because they are employed in working controls, insist on maintaining the controls, just because they fear that by decontrol they would lose their jobs. It is very uncharitable and it is another illustration of what I said at first that we distrust everybody and we still hope to live. I maintain that it is absurd to imagine that officers who are not going to be dismissed if the control is to be removed are maintaining control because they like to enjoy a little power that we have given them. (Interruptions) I won't yield to such interruptions. I refuse to believe that officers can behave like that who are these officers? They are my cousins, my nephews or my sons. My son can be an officer and he won't behave like that. I maintain that these officers are not corrupt in the manner and to the extent that has been believed, unfortunately, by our people.

Prof. N. G. Ranga: Question.

The Honourable Sri C. Rajagopalachari: You may question it to the end of time. I maintain that not a single officer wants this control just because

he is in the service which maintains control. (Interruptions) I do not mind the interruptions, but I should be heard. I want Honourable Members to realise that every officer realises the difficulties. Every officer has a family, he has relatives and dependants and friends and assistants and all of them have to live in rural areas and in small towns and they have to go to the bazaar and stand in the queues too. It is absurd to imagine that officers want control because it pays them. (Interruptions.) If only Honourable Members will have patience, they will understand what exactly I am thinking. Honourable Members will see that I admit officers are certainly timid. They have carried on the control for a certain length of time and they imagine that things will go wrong if there be a sudden change. I can admit that. Everyone of you also, I must say, would feel the same if you were in the same position. I do not think that officers are a different class. That is my fundamental proposition and if that is rejected by any Member here, then I say that that Member is thinking wrongly. We are all of one class and of one education and we are living under one set of circumstances and we should hesitate before making a change which affects a large number of people. I can assure Honourable Members that many officers, whose opinion counts, would have less work if controls were removed. They would be happier if these controls were removed.

Sri M. Ananthasayanam Ayyangar: Will they undergo loss or gain?

The Honourable Sri C. Rajagopalachari: It is unworthy of Honourable Members to insist on saying it. At any rate, even if they hold such an opinion, it is no use expressing it. What is the use of saying that they are making gains. It is absurd to say such a thing.

Pandit Lakshmi Kanta Maitra: Then, why did you bring into existence an enforcement branch to look into such affairs?

The Honourable Sri C. Rajagopalachari: We have got the Indian Penal Code, but it does not mean that all of us are committing murders or thefts. We want to control the crime and crime is a necessary element of all control and of all regulations. It is a necessary consequence. (Interruptions.)

Mr. President: If I may intervene. I must say that tolerance of other people's views is one of the essentials of democracy. And if the Honourable Members are so intolerant as not to hear the Honourable Member of Government, then I need not say anything further. But how can we expect of the democracy that we are longing for? (Interruptions.) Whatever it may be, he is expressing the views of Government. He never interrupted Honourable Members when they were expressing their views. Whether the Honourable Members agree with him or not, he is entitled to be heard and it is the duty of Honourable Members to hear him. If we are not willing to hear the other side of the picture, then all I can say is that it is not-possible for us to carry on in a democratic manner. (Interruptions.) Order, Order. Whatever it may be, the Honourable Member is entitled to be heard and he should be given a patient hearing. He says what he feels.

Sri M. Ananthasayanam Ayyangar: I did not oppose the Honourable Member. Possibly, it is a slip of his tongue. I said that some officers may gain by these controls or lose by these controls, and the Honourable Member said that it is unworthy of Members to say like that.

Mr. President: It is quite a different thing to object to the expression 'unworthy'. If that is a point of objection, then it is a different matter altogether.

The Honourable Sri C. Rajagopalachari: I thoroughly realise the feelings of Honourable Members and I am quite prepared to withdraw any word that I have said and which is wrong. But I want you to consider this that I am entitled to claim that if the officials of my Department or of any other Department are attacked in this way, namely, that they maintain a system of

[Sri C. Rajagopalachari]

control because of the gains that they get by it, I consider it a really unworthy allegation. But whether it is stated in a speech or in an interruption makes little difference. I consider it wrong to maintain a service and at the same time to attack it in that manner.

Pandit Lakshmi Kanta Maitra: The expressions 'wrong' and 'unworthy' have different and distinct connotations.

Mr. Sasanka Sekhar Sanyal (Presidency Division: Non-Muhammadan Rural): From the Himalayas to Cape Comorin there is a volume of public criticism to the effect that this control has led to dishonesty amongst the officials.

Mr. President: He is not contesting that.

The Honourable Sri C. Rajagopalachari: I do not deny that, but what I was saying was this that if the control is to go, it must go on other grounds. I cannot imagine myself agreeing to the proposition that any officers of Government want the control to remain because it pays them to keep it. It is not such a bad state of affairs as all that. And I am entitled to tell Honourable Members here that it is not, in my opinion, true and I also hold the view that it is wrong to make such an allegation. . . .

Mr. Sasanka Sekhar Sanyal: Does the Honourable Member know that in respect of a previous Executive Councillor there were different issues of a particular newspaper in which he, by name, and his subordinates were attacked and challenged and they were asked to be prosecuted on the ground that they were all dishonest?

Mr. President: I do not think a reply to that is necessary. They are all irrelevant remarks.

The Honourable Sri C. Rajagopalachari: It is one thing to examine general motives which will affect any particular policy and it is another thing to attack individuals. If there are monopolies created by a system of licences which come to be under control then those who are in the business which is already under this system of control, want the control and those who are not in the business under the present system of control, do not want the control. We will have to take these tendencies into account. I warn the Honourable Members, therefore, and I warn myself also in the same manner that we shall have to be cautious with reference to the sources of allegations. If I hear a small trader who has not got a licence telling me: 'Oh, Sir, control must go', I hear him and take his facts. But I also take into account the fact that he is one who does not benefit by the controls and he will benefit if the controls were removed. Similarly, if I hear a man who is already licensed say "control is very necessary, if controls were removed, prices would soar up. It has so happened," I have to take not only his facts but also his motives also into account his vested interests, and then come to some conclusions. In the same manner here, I want Honourable Members to test every piece of evidence that they get, and weigh and consider it. After all, all of us together are administering this country. As was pointed out by my Honourable friend Pandit Lakshmi Kanta Maitra, this House has accepted that essential articles have to be controlled. Even now let us look at the cautious manner in which the Cut Motion is moved. Nothing prevented the Honourable Member from including food in his cut motion. But why does he not include it? Because he is rightly and properly cautious about the matter. Food is an essential article. Now according to the view of some others, cloth may also be an essential article to a large extent. This was pointed out in the very well reasoned argument of my Honourable friend Pandit Lakshmi Kanta Maitra. He explained the position with reference to supplies quite accurately. I was charmed with the manner in which he remembered the figures for which I have every time to look into the papers.

According to the calculation given out by Pandit Maitra, it works out to 15 yards per man and therefore he says it is quite enough, and asks why we should think of any control. Now, Sir, I want Honourable Members to remember that if we interpret statistics like that, we may have no difficulty. We have the quantity of cloth, we have the number of people, the demand is there, the supply is there and we shall get on. But what we have to deal with in the case of difficulties of distribution is a little more complicated than that. All the total yardage is not evenly distributed among the population to produce a 15 yards average supply. That is exactly the philosophy of the control-walas. It has to be distributed properly. How can it be done? Free economy will not do, because the demand is always slightly more than the supply and some people's demands are more than some other people's demands and the demand is not only for one's own clothing, but also for making money and therefore there will be cornering, there will be hoarding and there will be black marketing. When a thing is so finely cut, when the supply is just enough for the demand, there is bound to be difficulty in distribution and any essential article of the nature of cloth has to be the subject matter of very anxious consideration before we decontrol it. Suppose we decontrol cloth here and now, as one Honourable Member said, by proclaiming here and now that cloth has been decontrolled. What will happen is immediately the Bombay and Ahmedabad people will take away all the cloth available in Bombay and Ahmedabad either for exporting to other countries or for selling at higher prices later on. Nobody can prevent it. What will the deficit provinces do? That is the trouble. Take the handloom case. The moment control is removed, all the handloom weavers of my province will take away the yarn that is available in the South and what will the poor weavers of Bengal do for yarn? Thereafter the handloom weavers of Bengal will have to starve. These are the difficulties with regard to certain essential commodities. Therefore, while I would boldly say that between the two evils, I would choose the lesser evil, namely of decontrolling, I would hesitate to make the experiment with regard to essential articles straightaway. That is the difficulty of the situation. Let me now talk departmentally. Whatever may be said about sugar or about kerosene and things like these, I would just remind Honourable Members that those are matters not within the scope of my Department. Kerosene is looked after by the Department of Works, Mines and Powers, sugar is looked after by the Honourable Member for Food.

Sri Mohan Lal Saksena (Lucknow Division: Non-Muhammadan Rural): What about coconut oil?

The Honourable Sri C. Rajagopalachari: It will take a very long time to dilate on the motive, the urge and the forces behind the trade in coconut oil. Coconut oil is an edible oil, people in Ceylon, people in Travancore and Cochin and all other places are concerned with this coconut oil. It will take some length of time for me to explain all the complications in regard to coconut oil. But that is a minor matter. My department deals with the very important problem of supply and distribution of coal, the supply and distribution of iron and steel, and with cloth. Paper is of less importance. That is all we have to deal with. Practically we have removed every other kind of control for which this Department is responsible and for which the Cut Motion has been moved. Practically everything else has gone and any controls that Honourable Members may observe are based on agreement or voluntary plans and schemes of distribution.

Now, regarding steel and coal. I do not think any arguments are necessary from me for Honourable Members to realise that the position is very difficult and will have to be subject to regulation. I do not think even whole hogger decontrollers would go to the extent of saying that coal should

[Sri C. Rajagopalachari]

be decontrolled or that iron and steel should be completely free. Paper perhaps can be freed. I would make an experiment with regard to paper and advise my Honourable colleague to make an experiment with regard to sugar also in the first instance. Let us help one another and see how things can be managed.

Now, Sir, I do not think I need detain the House any further in regard to this matter. I am sorry if I have offended some people when I have tried to defend another set of people. I myself felt and I still feel it my duty to say that I have not said anything beyond what I should say, that we should be careful in drawing bad generalisations from single instances.

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa: Muhammadan): The Honourable Member did not reply to that part of what Mr. Gadgil said namely that mills were not submitting returns properly and they were not being scrutinised correctly and so on. What has the Honourable Member to say to that allegation? He cited a personal instance of a conversation that he had with some responsible people. I want to know what the Honourable Member has to say about that?

The Honourable Sri C. Rajagopalachari: Mills, 400 and odd in number send their returns. Scrutinsation consists generally of two kinds, scrutinsing the paper and the various data given in the paper and taking the contents there. That is one kind of scrutinsation. The other kind of scrutinsation is executively going into it and comparing the mill stocks and checking the account given upon inspection. But this is not practicable. We have to trust them. Now, Sir, in some cases prosecutions can be launched if there is false report given with regard to any matter. There is no doubt there is wholesome apprehension of this. We trust people and to some extent keep authority going. If the particular instance referred to by Mr. Gadgil is what the Honourable Member is referring to, some gentleman told him something—and the name of the gentleman is not given—he says he promised confidence to him, and still in the interest of the public, he is saying what that gentleman said without the name being given. Now, Sir, it is possible for interested persons to give such information for a particular purpose. It is possible also to deceive one another in such matters. If I wanted a particular end to be attained, I could carry on a whispering campaign pretending to give information and confusing the understanding also. Now, Sir, it is not good to focus attention on such stories. But the question of checking reports and statements given by mills, that is a matter which should be examined. There is power I think to do it and it is being done to the extent that is possible.

Prof. N. G. Ranga: Sir, I am not satisfied with the Honourable Member's defence of the services, nor am I satisfied with the general tenor of his reply, but at the same time, I beg leave of the House to withdraw my Cut Motion.

Mr. President: Is it the pleasure of the House to allow Prof. Ranga to withdraw his Motion?

Some Honourable Members: No, no. He has given reasons showing dissatisfaction.

Mr. President: But whatever be the reasons, he is asking for leave to withdraw his motion. His reasons do not matter, his prayer is for permission to withdraw his motion.

The Honourable Mr. Liaquat Ali Khan (Finance Member): Reasons are bad, but action is good.

Mr. President: Is it the pleasure of the House that Prof. Ranga be given leave to withdraw his motion.

Several Honourable Members: Yes, yes.

The cut motion was by leave of the Assembly withdrawn.

Shri Sri Prakasa: Sir, with regard to my motion which comes next I understand the Defence Member would like to be present when it is debated. As he is not here now, I request that I may be allowed to move it tomorrow.

Mr. President: It is expected that the Defence Member will be here but there is no cent per cent guarantee that he will be here.

Shri Satya Narayan Sinha (Darbhanga cum Saran: Non-Muhammadan): Sir, I made inquiries and I am told that there is a good chance of his being present tomorrow.

Mr. Manu Subedar (Indian Merchants' Chamber and Bureau: Indian Commerce): Sir, the defence expenditure budget has just been circulated and it would be helpful to us if the motion can be moved tomorrow.

Mr. President: I was going to suggest that the motion may be moved now and the discussion postponed till tomorrow. Then there will be no occasion for changing the precedence.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): Sir, what is the use of having these cut motions when their withdrawal is inevitable?

Mr. President: I cannot answer for the Honourable Members who move them. The idea is not necessarily to have any vote for or against the motions but to bring the subject matter up for discussion and to know from Government what they have to say on certain questions.

So this motion will stand over till tomorrow.

DEMAND NO. 22—FINANCE DEPARTMENT.

Inflation and High Prices

Mr. Manu Subedar: Sir, I beg to move:

"That the demand under the head 'Finance Department' be reduced by Rs. 100."

The House will note that it is a token cut. Sir, there was a very wholesome practice in the past when the Finance Member in beginning his budget speech gave a review of the economic conditions in the country, a review of the trade and the Seasons, imports and exports balance of trade and the balance indebtedness; and he further gave an inkling of his own outlook and policy with regard to financial matters in the course of the following year. The budget speeches in these times have become a little longer; but from the budget speech of the Finance Member we miss that portion; nor has he referred to the items which I shall refer to. It is for that reason that I am taking the opportunity of a cut motion in order to refer to some of these topics and to elicit from him whatever lines of policy he feels inclined and he feels ready at the moment to give to this House.

Sir, this House will remember that for over three years I have vehemently and persistently opposed what has been known as the policy of the printing press, vicariously as the policy of created money, as the expansionist policy. I call it the policy of the rake and a policy by which money was spent like water. It was spent regardless of the objective, regardless of the priorities, regardless of the importance of the expenditure to this country. Why this policy was introduced I have explained in the past, and as a non-official I think the Honourable Finance Member was inclined now and then to approve of such protests that I made. Why was this policy pursued? Because the allied armies were in need of goods from our country and they were entitled under the Reserve Bank law to present sterling and to receive any amount of rupees against it, to buy any amount of goods from this country and to use them for their own purposes.

[At this stage Mr. President vacated the Chair which was then occupied by Mr. Deputy President (Khan Mohammad Yamin Khan).]

[Mr. Manu Subedar]

In other words this country was given a very large dose of inflation and extra notes. It was given recklessly not in the interest of the country itself but in the interest of somebody else. Now, Sir, it was extraordinary that even after the war stopped the note issue went up and kept on going up; even after the war stopped between two and three hundred crores of more notes were issued in this country; and the United Kingdom and the allied Governments were enabled by this means to purchase commodities which were very badly needed for the population of our own land. Sir, we have from time to time protested against the misuse of the constitution of the Reserve Bank of India and in particular section 41. I was expecting that during this session the Finance Member would bring in a law which would definitely put an end to this section. This section authorises any one presenting sterling to the Reserve Bank to receive from the Reserve Bank rupees which he can claim. In other words the Reserve Bank has no option. All that we want is that this link should be broken and that the Reserve Bank will then exercise the option in the interest of this country whether it should give further rupees or not, and if so to whom and for what purpose.

Now, Sir, what has happened is that there is too much purchasing power in this country and we have the vicious spiral of wages and prices chasing one another, with the result that the working classes have been putting up a fight. In the course of that fight there has been disorganisation of production. The fight has been taken up by State services, by public servants; it has been taken up in private industry. There has been a considerable fight on behalf of labour with which we cannot help sympathising because the prices have gone up. Prices have gone up in this country by 300 per cent; individual articles have gone up by 400 per cent; other articles have gone up by 175 per cent. The working men in spite of all their legitimate effort have been able to secure what in my opinion is a currency whose purchasing power is constantly going down. Every week and every month Honourable Members may read in the papers what the index number has gone up. It is true that it is creeping up but it is creeping up. I want the House to compare the inflation in our country with inflation in other countries. In the United Kingdom it has gone up by between 60 and 70 per cent; in the U. S. A. by 56 to 60 per cent; in India it has gone up variously by 180 to 190 per cent over the pre-war average. Now, Sir, this country is so highly inflated that we have to keep in mind the fate that overtook Germany and Russia after the old war, which overtook China in this war. In China, as Honourable Members may have heard, prices went up by 200 per cent in the course of one day; in other words all prices were trebled. We are on a precipice not of a very different character; and it is my fear that if something is not done properly and in time we may also reach that condition. Therefore I want Government to realise that an emergency has arisen and we must take strong and bold measures. With regard to this index number I may make it clear, having heard so much of black markets, that it seems to me that the total amount of purchases made in the black markets is actually sizeable; it is not negligible. If so, the index prices are all calculated on the basis of control prices. Have we got all the things that we want at control prices? How many of us have been obliged owing to emergency to buy whatever is available and at whatever prices it is available? In other words the index number is an understatement of the high prices prevailing in this country; and it is a warning which I want the people and Government to take. It is not a situation to be trifled with. Now, Sir, we have an emergency and we want to act boldly. What do people do when there is an emergency? America had an emergency when the war was declared. Within a matter of weeks, in the first week New York was rationed; within a matter of weeks production went over from peace to war basis; within a matter of weeks two million men were out; the production deliveries were coming out on the earlier

belt, one unit coming out every minute. I do not say that we can emulate those highly organized, highly skilled people in the United States, but in other countries where there are emergencies, Governments are acting boldly, wisely and thoughtfully. They are not acting in the fatalistic spirit in which I find some of the speeches from the Treasury Benches or in the spirit of neglect in which I find some of the answers given to us from the Treasury Benches. These ministers in India appear merely waiting for something to occur somewhere in the world or for somebody to come from outside and arrange matters for them. But Now we are breaking links with other countries out-
 4 P.M. side, and we are thrown on our own resources. I do want some serious efforts to be made by our Government; some bold experiments must be made. Let them err on the side of boldness rather than excessive regard for caution, excessive regard for what the departmental officials supply them. Some of the Honourable Members come and read here on the floor of the House notes prepared by their Secretaries. That is not satisfactory any longer. Unfortunately the Government Benches do not seem to recognize that there is an economic emergency in this country of a very serious character, and what is that emergency? I cannot go into great details, but I have attempted in the very limited opportunity I get in the course of supplementaries to elicit that production in almost every line in this country has fallen. It has fallen in the current year as compared to the previous year which was a year of greater disequilibrium in the world. This falling of the production is a very serious matter and I have suggested various ways for the consideration of Government. I do not want any Honourable Member from the Treasury Benches to get up and say that every one of the suggestions I am making will be immediately adopted. There may be reasons which are not known to me which may prevent them from adopting some of the measures immediately, but I would very seriously request them to consider whether it is not time to take a bolder line. What is the bold line? What have other countries done under similar situations? What has our own intelligence—the native Indian genius—done in tackling the problem. Let us consider some of the points.

Sir, I realize the limitation of time with regard to this debate, and I do not wish to abuse the courtesy of the Chair. Therefore I cannot go into the detail of every one of these measures, but I would say whether it cannot be possible to give in certain cases a bonus for increase in production. The bonus comes out of the people, I agree; it will increase the price to some extent, but it will be a lesser evil. When I heard some of my Honourable friends complaining with regard to shortages, and blackmarket, and corruption, I thought it would be less of an evil than blackmarketing and corruption. Sir, I want this matter to be thought out and thought out if necessary in consultation with labour leaders as to whether it may not be possible to stimulate production for the time being by a certain amount of bonus for extra work.

An Honourable Member: To whom?

Mr. Manu Subedar: Bonus to workmen. But, Sir, even that will not increase the price beyond a reasonable limit. There is nothing unusual in this. Recently in their emergency was it not that every class of Englishman offered to work on Sundays. Has it not occurred in other countries? In Germany the coal-miners actually gave up their limitations of hours of work. Do not troops work in an emergency at night? Do we not ourselves for social obligation and other purposes work overtime and work when there is an emergency? Sir, that is one of the directions in which I suggest that effort should be made to increase production.

Then, Sir, this bottleneck about wagons. I have always said that the Army which had the top priority should now come last, and yet as many as 20 to 30 special trains must go for the Army. They hold up lots of wagons.

[Mr. Manu Subedar]

they themselves are hopelessly negligent. Why don't the Railway Department put a couple of their top officials and look into the handling of wagons and other things given to the Army, and why don't they ask them to wait until the production emergency is overcome? Let the production matter come first. Why do you hold up coal which is wanted for cloth-making, which is wanted for paper-making, and for so many other things? Merely because there are no wagons. We were told by the Honourable the Supply Member that we shall have to wait for cloth until the machinery arrives. We are told by other people that we must wait until the middle of 1948, or until something else happens. I say that that is not the proper attitude. I am sorry to have to say this to our Government, but it is my duty to say that a bolder measure is wanted if Government recognizes that there is an economic emergency, there is high inflation, there is very high prices, there is blackmarketing, there is corruption, and the cost of living has gone up, and for all middle-class people who have to bring up their sons and daughters it is hell. Recognizing this, I am impelled to take my courage in two hands and to say to the Government of my country "please recognize that there is an emergency, and please act boldly in order to increase production here and now by every possible means. Please revise your notions of priorities in transport; priority in every other article. All unproductive things have to stop until the production machine moves on a little and if we—as my Honourable friend, Mr. Maitra very rightly said—"if we really desire to suffer for a little while, let us suffer this way, so that it will be a short time suffering."

With regard to increasing the immediate supplies, I have thrown out suggestions with regard to sending out cotton, for example, and getting cloth in return for it. I was glad to see in the papers the other day that Government have entered into some kind of barter arrangement with Japan whereby cotton will go out from here and cloth will come from there. I am happy to see that that suggestion has been adopted; that will immediately relieve the cloth situation. I have also suggested Charter agreements with Continental, South American and other Governments where by a little effort we may find out what we have got more and what they have got more. Double coincidence may not be possible always, but even a triangular transaction may be possible. Why can't this be done? Because we have not representatives. And why have we no representatives? Because of neglect of this Government, and I accuse them for that. This Government does not recognize a production emergency in this country. They are not making all the efforts which intelligent men can make in order to supplement our slender supplies, and they are not mindful—I am sorry to say that—of the public suffering. If they were mindful, I do not know why they have not adopted these measures. Any way we must send some of our best men immediately to other countries in search for anything which we can get in the world which will immediately relieve our supply position.

I have suggested a certain amount of State trading. I do not wish to dilate on this subject for long. It is true that you must establish trade channels and help merchants and so on, but as soon as you say it is an emergency, every merchant must stand aside, and as I say there is an emergency in our country I do not want the import and export trade of this country to be undertaken merely in the interest of private merchants. A merchant buys cloth at one rupee a yard and sells it elsewhere at Rs. 3/- a yard. Why should not the State do it? I want such trading to be done on a large scale in the manner in which Japan was doing it through semi-official associations. The U.K.C.C. did it when they thought that it was an emergency of the state. Even now Sir Stafford Cripps buys out the cotton crop of Egypt. American cotton, sugar crop from Cuba. They used to buy tea. The British Food Member is being reviled because he has bought copra at a high price from

Ceylon. Even now every government is doing it but our Government is a slow moving imperial elephant! They will not do things which every other government in the world is doing. This is an expedient which I have been constantly urging on the Government in supplementaries and it has not been heeded to. I want the Government to examine this matter seriously and I hope they will look into it.

Then as regards the issue of housing. The policy of encouraging housing was advocated last year. I have said once before that the reputation of this Government, which is a popular government composed of all parties, depends on the manner in which they handle the issues of food, clothing, housing and black marketing. Housing is one of the most important things. The Government which was the predecessor to the present Government recognising that housing would serve a very great purpose. It would serve first of all the purpose of solving the problem of a miscellaneous class of unskilled labourers who are in a very large number. When I had a discussion with Sir Archibald Rowlands I pointed out to him that in Bombay city alone as many as 75,000 more persons would get immediate employment if housing facilities and building materials were given and it all arose out of my very strong opposition to the grant of eight crores of rupees for resettlement in the Standing Finance Committee. I told him that he was going to waste all this money, that they were going to throw it away.

Mr. Deputy President: The Honourable Member has one minute more but I would allow him a little more time if necessary.

Mr. Manu Subedar: Thank you, Sir. I shall be very brief. I am sorry to say that in the matter of providing facilities for private buildings the Government has entirely failed. They profess an interest in the poor but it is the poor, whose field of employment is involved in the measures which I am suggesting, measures for extra production, and for extra housing.

I want steel to be rolled. The big steel companies do not want to do it, just as it was pointed out that some mills do not like to produce certain kinds of cloth because they have very little margin in them. So also the steel companies do not like to roll thin sections and bars of steel. I suggested in the Standing Committee that 100,000 tons of round bars should be rolled immediately in absolute priority. Take the Government department which have a programme for building and as much as 8,000 tons of timber was required by the octopus, viz., Sindri Factory. I am sure they would not use it for the next two or three years. This would help private building. Whereas a big house would need 50 tons of timber an ordinary house would require about ten tons only. The Government departments are following a dog in the manger policy, when they talk of a building programme of their own and some of these departments are recklessly planning to build and they are reserving steel, timber, cement and every thing else for government purposes. If facilities are provided for private building that in its turn would create the greatest amount of employment. The whole point is have we got a policy. Are we trying to stop the high prices? Are we trying to stop them in an intelligent manner or are we waiting for an abrupt and catastrophic fall, which I am sure is doubtless coming. Inflate more and more and it is sure to come down abruptly spelling ruin to all. I have no doubt that Government are probably giving their thought to this subject but unfortunately those thoughts have not reached us. I would be very happy if on some of the topics that I have mentioned Government are able to make clear their policy. Sir, I move.

Mr. Deputy President: Cut motion moved:

“That the demand under the head ‘Finance Department’ be reduced by Rs. 100.”

Shri Sri Prakasa: Mr. Deputy President, it is rather difficult for persons like me to intervene in any debate, for I find every body here suspects every body else's motives. If a person says something in favour of a proposition he is suspected of having some personal interest; and if somebody else says something against that proposition, he is again suspected of some other motive.

My respected friend Sir Cowasjee Jehangir the other day, while we were discussing some banking legislation, said that only those members of the House would support small banks and sympathise with their difficulties, who were fond of speculating themselves. Then, Sir, this afternoon, the Honourable the Supply Member said that if a small trader who has not got a license came to him and said that he wanted decontrolling, he would suspect his motive, and if a big trader who has got a license, came to him and said that control should be continued, he would still suspect his motive. It was some relief for me to find that the only exception that he would "make"—and I congratulate him for having made it—was in favour of his own officials who, he said and affirmed with a vigour worthy of a better cause, should never be suspected of any evil designs, even if any step on his part would result in their immediate dismissal. In circumstances like these it is difficult for a person like me, who tries to live a simple honest life, to say anything without being deliberately suspected of meaning something wrong and wicked.

I have said on a previous occasion that I was myself not at all fond of experts; and if I approach this problem I can only approach it as a layman, as an ordinary man in the street. I do not know economics. I do not understand finance. But one thing I do understand: if the amount of things available is limited; and if there is a mass of money at my disposal with which I can buy those things; and if I am in need of those things, I am going to pay that enormous sum of money in order to get that limited supply of things that I need. I argue in this way. There are certain amounts of goods available in this world. There is an immense amount of money lying about artificially created by the Reserve Bank with the help of the Nasik Press, to buy these goods; and I am in need of the goods that are available. The price of the goods is bound to go up, when there is a mass of money available to buy those goods. Prices can never go down—they will always soar high—where there are masses of money lying about. This simple fact was never put more succinctly and convincingly than by a simple villager who came to buy a blanket at the Gandhi Ashram in Benares. The mention of the Gandhi Ashram shop might wake in the heart of the Honourable the Supply Members some memories and evoke some sympathy. The man asked for a blanket. My friend, the Ashram worker, thinking that he was a poor man and could not afford a blanket worth more than Rs. 10, brought out a blanket of that value. Thereupon the man asked: "Have you not got anything more expensive than this?" He had money and he wanted to pay more for a blanket. The man brought out a blanket worth Rs. 15, another worth Rs. 20 and still another worth Rs. 25. The villager ultimately purchased the blanket worth Rs. 25 and counted out the money immediately on the nail: the money of course being in paper currency. He turned round and said: "This Government is really a fine Government. It has given me paper money. If today I had to count twenty five rupees in solid silver, I could never have done it; but giving away this paper money means nothing". This is the situation that has been brought about by inflation, by the creation of artificial money.

Sir, there has been a great deal said in this House by the wealthy and the well-placed, about the poverty of the masses in whose interests they say they are working. We were told that all the controls for instance are in the interests of the poor who could not get the goods of which they stood in need. I have

given my own analysis of the genesis of these controls; and I have come definitely to the conclusion, as I stated yesterday, that the controls were meant so that the wealthy, the well-placed, the influential and the powerful could get all the things they wanted at cheap rates: they were never meant to help the poor and they do not and cannot do that either. So far as the poor are concerned, they are where they were; and they have to go to other places in order to get the goods that they need. They get those things in the black market because they have got the paper money that is flowing about the country in great abundance. If the Nasik press under the auspices of the Reserve Bank is going to produce 18 crores of paper rupees every week, well then money becomes very cheap and the goods naturally become very expensive. Therefore something has got to be done in order to stop this scandal.

My honourable friend Mr. Subedar is an expert in these matters and he has put the situation in his own inimitable style, no doubt bringing conviction to those who understand these things better than I can do. But I have seen the scandal of this cheap artificial paper money flowing about the country, at work; and I do think that the time has come when it should stop. If the poor today were really better off than they were before, there could be some consolation and satisfaction, but their condition remains the same even when they can pay Rs. 25 for a blanket as I have described. Here in Delhi we see no end of splendour. The laws that restrict parties to 25 persons and dinners of not more than three courses may be enforced elsewhere but not here in Delhi. Here people go about from lunch to tea and then to dinner and while they stuff themselves up all the time, their chauffeurs in their motor cars outside are not even given a glass of cold water. And they say they are very sympathetic to the poor.

I come, Sir, from a feudal class. I am not ashamed to belong to the feudal class. There you would never think of not feeding the servant of the guest who has been invited. You know that, Sir, because you and I belong to the same Province and to the same class. We feed the servant before we feed the master. But here I see the chauffeurs cursing their masters outside to their heart's content for gorging themselves and never thinking that they too need some food. The people inside may stay on after a big banquet, for a dance and continue to enjoy themselves, but the poor servants outside must remain where they are starved and uncared for. Such gentlemen come and tell us that they are very sympathetic to the poor. It is very difficult to understand their attitude or to sympathise with their sentiments.

Mr. Tamizuddin Khan (Dacca cum Mymensingh: Muhammadan Rural): Is that increasing inflation?

Shri Sri Prakasa: Yes. All this is the result of inflation and cheap money. This is the situation. The rich have really been made richer and the whole problem has got complicated because of this artificial money. I hope, Sir, that Government will now take steps to stop the printing of more currency notes, that it will heed the advice that my Honourable friend Mr. Subedar has given. I hope Mr. Subedar himself will also heed my advice for once and withdraw his cut motion in the end.

Pandit Lakshmi Kanta Maitra: Mr. Deputy President, Sir, this vice of inflation came to be introduced into this country as an invariable concomitant of the war through which we have just passed. The House will recall or at least those Members who were Members of the last Assembly will recall that, with the entry of Japan into the war a situation was created in this country which left the Government no alternative but to inflate the currency. With the increasing tempo of the war the Government found no other way to foot the bill for the enormous volume of goods and services that were required in this country for carrying the war to successful termination. I therefore am

[Pandit Lakshmi Kanta Maitra]

inclined to think that this inflation which has now become almost a part of our economic life is not merely an accidental fortuitous circumstance. On the other hand I am inclined to think that it was not only due to economic causes, to interplay of all manner of economic factors, but it was due to a definite design. It was a planned inflation. I am sorry to have to say so. I will at once invite criticism for this view but may I remind the House that the Finance Member of those days who had the charge of financing the cost of war of what they said in reply to a heated debate on this point. If I remember aright, Mr. Deputy President, you also took part in that important debate in which we challenged the Government of the day that they had been pursuing a policy which would eventually ruin the economic structure of the country. We suggested ways and means. We implored them to take measures for checking that inflationary process but as I was telling the House in connection with another motion a few minutes ago, instead of crying a halt, the Government went on indefinitely creating money by the mere process of what is called in economic parlance, pumping money indefinitely into circulation without reference to the metallic cover. Today the position is that the sterling balances at the credit of India stand at 1783 crores and I ask the House to remember what it means. Inflation is not an easy matter to understand nor is it easy to check it. It means that the tremendous sufferings and sacrifices India had undergone were paid for in paper against sterling accumulating in Great Britain. In accordance with the Reserve Bank of India Act, the Reserve Bank had no other alternative but to print notes indefinitely from the different printing presses against the accumulating balances. We were told in those days—what else could the Government of India do when the two major political parties in this country were not disposed to support the British Government in this war. There was a limited supply of goods and there was no other course left to the Government of the day than to capture the goods by giving inflated prices and it is only by this method that they could get goods and services for the prosecution of the war. Now, the need for it is over. The war has come to a successful termination. Immediately after the cessation of hostilities with Japan I brought it to the notice of the then Finance Member that he should forthwith adopt stringent measures for checking inflation, which would otherwise lead to untold suffering. You will remember that in the House of Lords and House of Commons there was a debate on the Bengal famine and the eminent economists of Great Britain in the House of Commons held the view that the deaths of millions of people in Bengal could be traced directly to the inflated currency of the country. There might be an element of exaggeration in it but when all is said and done it was indeed a fact that the consumers of this country were placed in possession of huge sums of money against a very limited supply of goods. The purchasing power was very high and it was not created by any natural process of economic evolution but artificially in order that the war machinery might go on.

We tried to impress on the Government that immediate steps should be taken to check the inflationary tendencies. First of all they issued the Defence of India loans. It did not evoke sufficient response. Then they issued the National Defence Bonds. Now they are issuing the National Savings Certificates. That has come to stay. Then they began the control of capital issues. That served the purpose to a certain extent but they could not make available to the people at large the increased volume of goods and commodities that are required in our normal day to day existence. The needs of the consumers were left in cold storage.

Now the situation is completely transformed. I know the difficulties of switching over from war time to peace time economy. Unless you can stop this vicious circle, you will go on having increased prices, demand for greater

wages and further increased prices and so on. You have got to break that vicious circle. You have done nothing so far except follow a policy of masterly inactivity and drift. I am not accusing my friends over there who took charge only four months ago. This inflation is a matter which has been going on for a long time. I am quite sensible of that. As a result of the policy we have been pursuing, we have been moving round and round that miserable vicious circle. The time has now definitely come to cry a halt to this process.

The main thing we recommend is that Government should at once strive to place at the disposal of the immunity a much larger volume of commodities. In other words as my friend Mr. Subedar was suggesting, we want production and more production.

I was referring to the situation in America. There the situation has been definitely controlled because of greater production. In this country, unless you can give a tremendous drive towards production and expansion of activities which would absorb the redundant currency in the land, the poor Finance Member will not be able to go very far. There was a proposed building programme. Purely viewing it as a humble student of economics, I feel that that was a very proper move, a move which was calculated to mop up the extra purchasing power in the hands of some people and especially industrialists and indirectly benefiting the community by the provision of good housing accommodation. But there was the bottleneck of shortage of building materials and we could not go very far.

Now, in the Budget speech of the Honourable the Finance Member, he has made certain provisions for the building programme but that does not touch even the fringe of the whole problem. For the purpose of increased production, I think all the efforts of the different departments of the Government should be directed in such a way that they are capable of a tremendous drive for the production of building materials, cement, production and transport of coal, production of cloth, increased circulation of kerosene, petrol and all kinds of consumer goods which would help to absorb the currency lying idle with the people. I quite see that in a few months such a policy cannot be adopted by the Government because of the inherent difficulties and because of the numerous obstacles that stand in the way. I have had to depend for my information on some of the departmental reports of the Government as I was away from the Assembly for nearly a year and a half and I lost touch with it. I now find that the Government of today is in no better position, but it must bear in mind that if they now pursue a policy of *laissez faire* and a policy of indifference and apathy with regard to this matter and think that the prices would find their own level, they would be living in a paradise of illusions. You are all aware of the tremendous economic collapse that affected the whole world in 1929-30. The position then was that there was a glut of goods in the international market and there were no consumers and prices went down. And it took a number of years of patient constructive work by all the different nations of the world to bring about the economic rehabilitation of the world. In this country, we all know, we were left to depend on India's inherent power of recuperation, but today that will not do. Today we must realise that if we have to wait for four or five years when our goods will be in full supply, then those who are in authority ought to realise that by that time all other competing countries in the world would be producing goods in enormous quantities, and then will start a period of deflation the result of which I shudder to think. Sir, I support this motion.

The Honourable Mr. Liaquat Ali Khan (Finance Member): Mr. Deputy President, I have listened to the debate with very great care and very great attention and I am entirely at one with my Honourable friends who have expressed their great concern over the inflation that has been going on in this

[Mr. Liaquat Ali Khan]

country. Now, Sir, Mr. Maitra has rightly pointed out that this is not a matter which any Government could put right in a few days or few months. It is not that if the Government took some decision and passed orders, inflation would stop automatically. I listened to the speeches of my Honourable friends Mr. Manu Subedar and Mr. Maitra very attentively and was looking out for some concrete suggestions which would be helpful in fighting inflation. Barring one or two suggestions which were given by Mr. Manu Subedar, I did not find anything in the speeches of the Honourable Members except generalisations. We all know that to fight inflation one of the methods is greater production. But you cannot produce more without having the implements to do so. My Honourable friend Mr. Manu Subedar was rather annoyed at the reply of my colleague, the Member for Industries and Supplies, that he could not get machinery and therefore the production could not be increased. Now, I do not know what method my friend would suggest for us to get machinery quicker than what we have been trying.

Mr. Manu Subedar: I shall give my Honourable friend a copy of the Bombay report which shows how to produce more cloth in this country long before the new machinery arrives.

The Honourable Mr. Liaquat Ali Khan: I think probably my Honourable friend is perhaps thinking of having another shift in the factories.

Mr. Manu Subedar: I will give you a copy of the report which will give you all the information.

The Honourable Mr. Liaquat Ali Khan: I shall greatly welcome it. Let me tell my Honourable friends that the Government are most anxious to fight this evil of inflation. Honourable Members are fully aware that it was on account of the emergency of war that there had to be an issue of currency in very large amount. The Government of the day had to meet the requirements of the war. Whether it was India's war or not is only an academic question. India's resources were used to fight that war and the Government of the day did everything that they could to get those resources of India mobilised in favour of the Allies and their war effort. It is true that the accumulation of the sterling balances is a direct result of it. I am not here to defend the actions of the past Government. I am really concerned with the actions of the present Government since it has assumed office. I cannot be held responsible and none of my colleagues can be held responsible for the acts of commission or omission of our predecessors. Therefore, what I really want the Honourable Members to do is to make concrete suggestions and we would welcome them. I would also welcome general condemnation if by means of that we could fight inflation.

Mr. Manu Subedar has made one or two very useful suggestions. One suggestion that he has made is of giving bonus to producers for increased production. I think that is a suggestion which should be considered in all its aspects and should be considered very carefully. Then, my Honourable friend has made another suggestion about State trading. Now, that is rather a complicated question. I think it may be possible for the State to trade in certain articles so far as export trade was concerned but I do not know whether State trading should take the place of private enterprise altogether.

Mr. Manu Subedar: I did not suggest State trading for internal purposes; I suggested it for external purposes.

The Honourable Mr. Liaquat Ali Khan: Surely, my Honourable friend does not expect me to say anything definite on this occasion with regard to such an important matter. The third point that he has raised is with regard to housing and building programmes. Now, Sir, as far as that goes, Honourable Members are aware that Government themselves have been carrying out a

very huge building programme. We have in front of us a very large programme of work. But the difficulty is shortage of building materials. Now, Sir, here my Honourable friend Mr. Manu Subedar suggested that Government should provide facilities to private persons to secure building materials because the Government themselves were not in a position to utilise all the materials that were available themselves. In this connection apart from this fact whether Government is in a position or is not in a position personally I think that Government's programme of building is so large that whatever material is available can be used and will not be sufficient even for governmental purposes. But keeping in view this fact that some building materials should be made available for private individuals, I have myself in one or two cases when demands came from provincial governments for putting up new buildings and wanting money from the Central Government, pressed upon them not to carry out the programme which was not immediately necessary because of the shortage of material and if all the available material was to be used up by Government, then private persons will not be able to build anything. I have myself discouraged it and in one case so far I have resisted the grant of money for a very large scheme of building in a particular province.

Sir, I have said it before and I say it again that one of the proposals for fighting inflation to a certain extent is my taxation proposals. Those, I believe will to a certain extent help to cut down inflation.

Pandit Lakshmi Kanta Maitra: That is a double edged weapon. It will cut both ways.

The Honourable Mr. Liaquat Ali Khan: Anyhow I do not want to dilate upon taxation proposals in this debate. We will come to them later on when we discuss those particular measures.

Sir, there is one point that has been raised by Mr. Manu Subedar and by Shri Sri Prakasa more forcefully and it was the question of issue of currency notes. I have said in reply to certain questions that were put to me by some of the Honourable Members that practically since this Government has taken over there has been no increase of any consequence in the circulation of notes.

Shri Sri Prakasa: What is the amount of new notes printed every week?

The Honourable Mr. Liaquat Ali Khan: That will not help you because new notes are printed to replace the old ones which have come back from circulation.

Pandit Lakshmi Kanta Maitra: Is it not a fact that you have printed notes for 100 crores since you came into office?

The Honourable Mr. Liaquat Ali Khan: I do not think it is so much as that.

Pandit Lakshmi Kanta Maitra: Of course replacement question is there, I agree.

The Honourable Mr. Liaquat Ali Khan: Of course I cannot claim that we have succeeded as soon as we came to office in fighting inflation. What I do claim is that we have succeeded to some extent, of course not to our satisfaction, and I do not want Honourable Members to go away with this idea that we are satisfied that we have succeeded to any considerable extent, but at least we have succeeded in not letting it increase very much.

A lot has been said about controls. My Honourable colleague the Member for Industries and Civil Supplies had dealt with that question very ably, and if I may say so, very firmly. I do not think that you would really stop inflation by removing controls. That I think is not a correct proposition. As a matter of fact control is one of the methods of checking inflation.

Pandit Lakshmi Kanta Maitra: It was originally so.

The Honourable Mr. Liaquat Ali Khan: It is still necessary till you have sufficient amount of goods. I may tell my Honourable friend that if you remove controls altogether, you will have greater trouble than what you have today.

Pandit Lakshmi Kanta Maitra: Only for a short period.

The Honourable Mr. Liaquat Ali Khan: That of course is a matter of opinion. There may be some Honourable Members who may feel otherwise, but all the economic factors go to support the contention that I have put forward. It is indeed a matter of very great importance to everybody in the country and especially to the poorer classes. I can assure Honourable Members that Members of Government are not unmindful of this particular situation.

Now, I may point out that the policy we are following of borrowing is also one of the measures to fight inflation.

Pandit Lakshmi Kanta Maitra: At a higher rate of interest of course.

The Honourable Mr. Liaquat Ali Khan: The policy of going on with our small savings scheme is also another measure to fight inflation. In this connection, I may inform Honourable Members that we are putting this scheme on a more permanent basis and on a better footing. I mean the small savings scheme. The idea is, and I hope I shall be able as soon as the whole scheme is ready, to circulate a note to Honourable Members for their information, but the trouble so far has been that our small savings scheme has not really reached the small man in the rural areas. The methods that we have adopted so far have not been of the type which would help in getting the maximum benefit out of this scheme. The idea at present is, and the new scheme is being framed on these lines, to encourage this habit of saving in the remotest village of the country. I hope that with drive and initiative and public support this scheme would be successful. That would be another method of fighting this demon of inflation.

Sir, my Honourable friend Pandit Lakshmi Kanta Maitra has suggested that the Government should place a large volume of goods in the market. We have been trying to import goods from outside as much as possible. In this connection, I would not say that all the imports have been of the best kind of goods that were needed in the country. This matter I referred to in my budget speech. We do want that there should be less import of luxury goods and more import of necessary goods. Sir, all these actions are being taken by Government. Government are not satisfied with the position; and all that I need say and can say is that we will do everything that is possible. Instead of this general discussion—which is also useful—I would welcome any concrete suggestion from any quarter, a suggestion which is feasible and possible, any proposal which it is possible to carry out for the purpose of fighting inflation; and we as Government are entirely at one with the Honourable Members of this House at fighting this demon of inflation with all the power that we can command.

Mr. Manu Subedar: Sir, as the objective of Government and this side of the House is the same, in spite of the fact that neither the Finance Member nor myself feel that we have covered the whole ground I beg leave of the House to withdraw the motion.

The cut motion was by leave of the Assembly withdrawn.

EXTENSION OF TIME FOR THE PRESENTATION OF REPORTS OF SELECT COMMITTEES ON CERTAIN BILLS.

The Honourable Mr. Liaquat Ali Khan (Finance Member): Sir, I move: "That the time appointed for the presentation of the reports of the Select Committees on the following Bills, namely:

- (1) the Bill further to amend the Indian Income-Tax Act, 1922, and the Excess Profits Tax Act, 1940;
- (2) the Bill to impose a special tax on a certain class of income; and
- (3) the Bill to provide for an investigation into matters relating to taxation on income,

be extended up to the 19th March, 1947."

Honourable Members will remember that these Bills were referred to Select Committees on 5th March. After that we had holidays for four days and since then the House has been sitting every day and it has not been possible for the Select Committee to meet till after the meeting of the Assembly. The time has been very short and naturally our progress could not be as we expected. I therefore move that the time may be extended to the 19th March.

Mr. Deputy President: Motion moved:

"That the time appointed for the presentation of the reports of the Select Committees on the following Bills, namely:

- (1) the Bill further to amend the Indian Income-Tax Act, 1922, and the Excess Profits Tax Act, 1940;
- (2) the Bill to impose a special tax on a certain class of income, and
- (3) the Bill to provide for an investigation into matters relating to taxation on income,

be extended up to the 19th March, 1947."

Sir Cawasjee Jehangir (Nominated Non-Official): Sir, since this motion has become necessary I should like to know how it will fit in with the original programme of this House. I presume that the discussion on the Finance Bill will start on the 19th. If so, it means that the reports of the Select Committee will not be in our hands when we start discussion; and it will also mean that the general discussion on the Finance Bill will have to be finished before we take up the Select Committee's reports. So the programme will be altered to a great extent. I should like to know from the Finance Member how he proposes to settle the programme and how it will fit in with the original programme.

The Honourable Mr. Liaquat Ali Khan: Sir, it was intended that the discussion on the Finance Bill should start on the 19th, and my Honourable friend is perfectly right in saying that these Bills will not be taken into consideration until after we have disposed of the Finance Bill. By this motion that I have made I do not think our programme will be very much upset. I cannot say definitely but it may be necessary to start discussion on the Finance Bill on the 20th instead of the 19th; and I do not think it will be necessary to make any very serious changes in the programme that was fixed. It is our intention that the reports of the Select Committees should be in the hands of Honourable Members before the discussion on the Finance Bill starts.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): Sir, I oppose this motion. The holidays were not suddenly sprung upon us nor was the programme of the Assembly suddenly drawn up. The Honourable Finance Member knew very well that these holidays would intervene and also that this Assembly would sit from day to day. It was originally proposed that the Select Committee should report by the 14th March; and in view of the fact that they are not able to report in time I propose that the Bills may be regarded as having lapsed.

Mr. Deputy President: The question is:

"That the time appointed for the presentation of the reports of the Select Committees on the following Bills, namely:

- (1) the Bill further to amend the Indian Income-Tax Act, 1922, and the Excess Profits Tax Act, 1940;
- (2) the Bill to impose a special tax on a certain class of income; and
- (3) the Bill to provide for an investigation into matters relating to taxation on income,

be extended up to the 19th March, 1947."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Friday, the 14th March, 1947.