

[Rai Sahib Lakshmi Narayan Lal.]

seeds which will yield nutritious and commercial oil. (2) The excise revenue, which is at present threatened by the non-drink propaganda, can be easily safeguarded by introducing the system of granting on a large scale licenses for distillation of Ayurvedic *Sura* which can be used for preserving good health, which was the original object of all wines.

With these few words, I move this amendment and I hope Honourable Members will support it.

The Honourable Sir Thomas Holland: I think, Sir, it would be possible to explain this in a few words and so save the time of the Finance Committee which will try to unravel all these lump provisions. This particular lump is due to a misprint. It started from my office in the form of Rs. 2,750 for the revision of the junior establishments, but I cannot remember whether it included the chemists or not just now, and Rs. 51,000 for labour, that is to say, including the drivers in the factory, the fitters, the greasers, the carpenters and the plumbers and all the unskilled labour. Those two items appeared in the original manuscript from my office, but they have come back in the form of a lump provision of Rs. 53,750. Some one has added together Rs. 51,000 and Rs. 2,750, so that the lump provision here, that is Rs. 2,750 is a very small one, due to the fact that the rates have been revised for the subordinates and I hope that the House will not consider that that was extravagant. We started out with the attempt to provide Rs. 60,790, but Mr. Hailey was very active that day with his blue pencil and he cut us down to Rs. 51,000 for labour and Rs. 2,750 for the revision of the establishment and I should like to say, although that will come more appropriately probably in the next motion, that we have actually reduced the cost of the establishment. I should also like to say now, possibly to anticipate a certain amount of discussion, that the acetone and butyl which we got from the factory last year was estimated to be of the value of 3 lakhs and we have estimated for this year a value of 4 lakhs. As I told you, we are working on a reduced scale, i.e., one-third of the total capacity of the factory.

The motion * was negatived.

EXPENDITURE ON ACETONE FACTORY.

Sardar Gulab Singh: Honourable Sir, I submit my motion of amendment, namely:

* To reduce the demand No. 33 on page 164 by Rs. 1,73,000.

It means that there should be no increase over the figure budgetted for the current year, which is Rs. 5,24,000. In the preceding year, 1919-20, the demand was only Rs. 22,683. The present Budget is admittedly a gloomy one, showing a deficit of 19 crores, which cannot be met otherwise than by increased taxation, which under the present circumstances does not seem advisable for several reasons which the Honourable the Finance Member himself has rightly alluded to in his exhaustive Budget speech. Besides, the country is full of unrest and discontent and we should not provide any excuse or chance which will foment them. Consequently the experiment under consideration should be put off for the present year. The expenditure and the increase seem due to the acetone factory and I do not think it is such expenditure

*Vide page 1000 of these Debates.

that it cannot be put off for one year and must necessarily be incurred in the ensuing year. If there is great demand for it, private enterprise should be encouraged to meet the same. Besides, Sir, some reduction in the expenditure of schools might be effected by way of introducing the study of the necessary subjects as special subjects, with scholarships to attract students to learn them. In case the Honourable the Industries Member assures me of his proposal already made to do away with the factory I will withdraw my amendment. For these reasons I move my amendment which will, I hope, kindly be considered and accepted by the Honourable House.

The Honourable Sir Thomas Holland : I am not quite certain whether the Honourable Member has moved his motion or withdrawn it. He said that as I made a suggestion that the acetone factory might be done away with altogether.

Sardar Gulab Singh : If you assure me about that, Sir, I will withdraw.

The Honourable Sir Thomas Holland : I cannot give the assurance.

Sardar Gulab Singh : Then I will not withdraw.

The Honourable Sir Thomas Holland : I have already explained very clearly that the future of the acetone factory is under consideration. I have given three suggested proposals. One of them was to abolish the factory and I think there is not the slightest doubt that we should be very unwise indeed to do so. The other two proposals, as I explained before, consist of reducing the factory to the very lowest level, that is to say, using it as a spirit factory whilst keeping the ferment alive in the laboratory. The other one was our suggested idea of using the factory for industrial development by making use of the by-products. It is quite impossible under the present condition of our investigation, and it would be unwise in the interests of the country either from the military or from the industrial point of view, to promise to close down the factory. There is one other point that ought to be considered too. The factory looks very large, constituting a very large item in this detailed bill—Rs. 6,43,000. But one has to remember that there is a receipt side to the factory as well as an expenditure side. As I said just now we estimate for the coming year alone a credit figure from butyl valued at 4 lakhs of rupees. We turn out twice as much butyl alcohol as we do acetone and the price of butyl alcohol, I believe, is as high as that of acetone. If we had a local market for our butyl alcohol, we could make the factory a paying concern now, a source of revenue instead of a source of expenditure, and when that does occur we might hear something of what the Honourable Member suggested by way of private enterprise. Under present conditions I do not think that there is any encouragement in the factory for private enterprise by way of acetone manufacture, even if we could hand over this very special and semi-secret process. We have, as I said already, done our best to keep down the expenses. During the past year the cost of stores have gone up, coal especially. We have also made provision for steel drums to carry the acetone, a provision that was not made last year and that is why the total for last year was below our total this year. I think there is no doubt that last year our budgeting was not as generous as it ought to have been. The fact was that at that time we had very little experience, but if the Members of the House or the Finance Committee wish to have the details, I can give them exactly; we want 125 tons of rice at 160 rupees a ton every month and that will cost Rs. 2,45,000. We want 425 tons of coal every month at Rs. 17 a ton, which we have put

[Sir Thomas Holland.]

down at Rs. 86,700, and I can bore the House with the rest of the details if you wish to have them. But what we have done in the matter of establishment, which is the important thing, is that we have cut it down. We have reduced our salary bill by Rs. 14,520 and we have reduced the pay of the ministerial and menial establishment, not by cutting down their pay, but by reducing the establishment, by Rs. 32,650. We have, therefore, saved very nearly half a lakh on salaries and wages, and that is due to the better organisation being introduced by the Superintendent and the Manager. I think that I ought to take this opportunity of saying how greatly I appreciate the work which has been done by both of these officers. The Superintendent has completely re-organized the system at the factory; he is untiring in his love of detail; he provides us with full accounts of every operation in the factory; the operations are worked out on the most approved scientific lines and every result, both scientific and financial, is put before us in very full monthly reports, so that we are able to follow his activities. I am myself perfectly satisfied that every attempt is being made to reduce the expenses until we can decide definitely as to the future of the factory. I think, that under the circumstances, I am justified in advising this House not to cut down this grant for the Acetone Factory, which, I understand, is my Honourable friend's desire, for the purpose of getting money to spend in other ways. It is desirable that we should get as much money as we can to spend in other ways, but we must not cut down the acetone industry which is in working order. If we stop that, we shall lose more money than we shall save. There are some things that we must stop and we have stopped, and the Budget this year would have been four or five times its size but for Mr. Hailey. This year, I wanted to start a large number of new things in connection with industrial development and could not, simply because we have, all of us, tried to observe one rule, that is, to start no new buildings in this year if we can possibly avoid them. I wanted a School of Mines built; I wanted a tanning Research Institute built at Calcutta, and several institutions of real importance to the country in the long run. But we have really and honestly attempted to postpone these for one year in the hope that we can find a better year in the next.

Dr. Nand Lal: Sir, after having heard the explanation from the Honourable the Official Member, I must say, that I am against this amendment. We want industrial development in our country and this provision, which is made in furtherance of that cause, seems to be indispensably necessary. With these few words, I oppose this amendment.

Rao Bahadur T. Rangaiahariar: Sir, if I make a few remarks, I make them, I confess, in utter ignorance of the subject as to the acetone factory. One remark made by the Honourable Industries Member tempts me to put the question, whether in this factory Indians are freely admitted and whether they will have a chance of learning the secret processes as other people have. The second question which I wish to ask is whether this industry which is being used entirely for war purposes, can also be utilised for developing in other directions. These are the two doubts which I feel and I should be glad of an explanation from the Honourable Member. In a Government factory unless this acetone goes to the War Office, I do not understand what the secrecy is about. In any event Indians must be entitled to learn the work.

Mr. J. Chaudhuri: With regard to the manufacture of acetone, I presume it is for the purposes of the manufacture of munitions. So I do not quite follow why it should come under the Civil Budget. It might be transferred and put under the Military Budget and, gradually, this industry might be made over to the Military Department.

Another matter with regard to which I want fuller information is the School of Mines and Geology. Some months ago I read of a proposal by the Government of India to found a School of Mines and Geology at Dhanbad. I find here a provision for appointment of a Principal on a salary of Rs. 24,000 per annum and a lump provision for other charges to the extent of Rs. 26,000. This does not give us sufficient information as to whether the School of Mines and Geology is going to be equipped quite properly. Such a school is a great want in India and especially in the mining districts of Jharia. So, I am not for any curtailment of the general expenditure under this head, but I would suggest to the Honourable Member in charge that the money should be devoted to this and other useful purposes for the promotion of industries in this country.

The Honourable Sir Thomas Holland: I understand, Sir, that I may be allowed to give the information that has been asked for by the Honourable Members; otherwise, presumably, the questions themselves would have been out of order.

Mr. Rangachariar wants to know if Indians will be admitted to the factory and if the process can be kept secret. At present we have three Europeans in the factory, one Superintendent, one Manager and one Engineer. I have myself a hope, and, when I say 'a hope' I do not mean a vague hope, but a sure and certain hope, that this factory can be run entirely by Indians, and in the near future. One reason for expressing the hope in that way is this, that there is not an officer there now of the three who is not anxious to be relieved for more profitable work elsewhere; and also because bacteriology is developing in India, and we hope, therefore, to be able to find specialists who will undertake this process and work it. It is not that we want very high general training so much as ordinary general training together with a special experience of this particular ferment and its peculiarities. So that we ought to be able to introduce young Indians and teach them the process which is now being adopted there.

With regard to its secrecy, the process is patented and, therefore, a great deal of the detail connected with it has already been published. But, I suppose, everybody knows that a specification of a patent is intended generally to conceal the real nature of the process described. There are little matters connected with every patent process that are not described in its specification, and in some of the cases they could not be described.

The peculiar nature of this ferment is a matter that has been worked out in our own factories. The process is really now in some points different from the process described in the original patent, because we have had to accommodate ourselves to the peculiar food that is needed for this ferment. We tried various kinds of grain and we got the best results from rice. If we could obtain the purest form of rice it would make the process much easier, but we had to consider the question of economy. We found out from experiment that we get slightly less acetone from broken rice, but the difference in the cost is so great that we have now, I think, reached the most economical equation possible. I hope that will satisfy my Honourable friend on that point.

Mr. Chaudhuri cannot understand why the Acetone Factory is not under the Military Budget. I presume from that, that he wants the factory to be non-votable; but we ourselves consider, that besides supplying a product to the Military Department in the form of acetone which we make them pay for, as otherwise they would have to buy it from Europe, we may hope to turn the factory to industrial account. If, as the result of our investigations, I find that we cannot use this factory economically for industrial purposes, and that it is merely a war instrument, then I shall hand over the pup to the Military Department.

With regard to the School of Mines, I will give the information that Mr. Chaudhuri has asked for. We hoped to commence building this year, but that project, like a good many others, was knocked on the head because the Finance Department would not allow us to undertake new works. We have, however, used the small sum of money for the acquisition of the necessary land, because the price of land has been going up so rapidly that we thought it would pay us to acquire it at the present rates. That is included in the lump provision for other charges. Then, with regard to the Principal, before we discovered that the Budget would be such that all new works would have to be stopped, we had asked the Secretary of State to engage a Principal, and on the very day when I asked with regard to the state of the Budget, in the Principal, we received a telegram to say that he was appointed and would arrive about the middle of March. The Principal, therefore, has to be paid for, but he will not be wasted. The Principal will be utilised in the first instance to help the Geological Survey and the Mines Department and at the same time he himself will be acquiring the necessary knowledge of the country which will make him, I hope, a better Principal when actual work begins. We have put down for him a small sum, Rs. 600, for rooms we have to engage for him to carry on his office work, and we have allowed a small amount of travelling allowance—Rs. 1,400 only; and then, of the other part of the lump sum of Rs. 26,000, Rs. 14,000 is put down for the Governing Body. The Governing Body has not yet been formally appointed. We have the consent of a large number of very influential gentlemen who have agreed to serve on the Governing Body, and it is our intention that they, in conjunction with the Principal, should work out the whole curriculum and organisation of the school. But if the Governing Body is not appointed this year, Rs. 12,000 out of the Rs. 26,000 will be saved. That would have been the cost of their travelling allowance. I hope these details are sufficiently satisfactory to Mr. Chaudhuri and not boring to the other Honourable Members.

Rai G. C. Nag Bahadur: Sir, will the Honourable Member give us some information in regard to the position of the Drug Manufacture Committee, where it is sitting and what it is going to do?

The Honourable Sir Thomas Holland: May I suggest, Sir, that the ordinary rules should be observed for asking questions; otherwise, we shall never get through the Budget?

The Honourable the President: The question is:

‘That the demand under head ‘Industries’ (No. 39) be reduced by Rs. 1,73,000’.

The motion was negatived.

The Honourable the President: The question is:

'That a sum not exceeding Rs. 6,43,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March 1922 in respect of 'Industries'.'

The motion was adopted.

Mr. C. A. Innes: Sir, I beg to move:

'That a sum not exceeding Rs. 55,000 be granted to the Governor General in Council to defray the charge which will come in course of payment during the year ending the 31st day of March 1922 for 'Aviation'.'

Aviation.

AERODROME AT ALLAHABAD.

Rai Sahib Lakhshmi Narayan Lal: Sir, my motion is to the effect:

'That the lump provision of Rs. 30,000 for an aerodrome at Allahabad (page 166) be omitted.'

I admit, that this is an important item. By moving this Resolution I simply want to bring to the notice of the Government my suggestion that they should consider the advisability of approaching the Imperial Government to take a hand in getting us out of our present financial troubles, in a very bad year, caused by the war, and to graciously provide, from Imperial funds, at least this lump provision of Rs. 30,000 for an aerodrome factory at Allahabad, as it has been kind enough to make a gift of 100 aeroplanes to India. In any case this provision is impracticable in such a year as this, and I move to omit it.

Mr. Eardley Norton: May I ask, Sir, if the item under discussion is purely for Civil Aviation or does it include Military Aviation?

Mr. C. A. Innes: Civil Aviation.

Dr. Nand Lal: To my mind, Sir, there seems to be no necessity for this provision. None has been shown, so far as this printed book called 'Demands for Grants' is concerned. Why is it required for Allahabad only? To my mind, it seems to be an additional expense for military purposes. And if it is required for Allahabad, then why not for other places? Since other places have not been referred to, and no special need or necessity has been given here, the natural deduction is that this provision has got no justification at all. Considering the condition in which we are at present—a condition which amounts to financial embarrassment—we should not spend money lavishly like this. Therefore, with these few words, I submit that this amendment, which is before the House, speaks for itself and I hope the whole Assembly will accept it.

Mr. C. A. Innes: I had hoped, Sir, that I should be able to place before this Assembly a really good Budget for civil aviation, instead of asking for the miserable sum of Rs. 55,000. I had hoped that the Government of India would be able to go in for a forward policy in the development of civil aviation. Every civilised country in the whole world recognises that it is essential to assist the development of a form of locomotion which in the near future may revolutionise transport. There are numerous air services converging on Paris; there are air mail services radiating throughout the United States of America; there are three air mail services between London and