

any English firm with the exception, I think, on one occasion, of a Bank. But, if the Member will be kind enough to come round some time later when I shall have been able to get the information from Bombay, I shall tell him the name of any English firm who has purchased gold.

SALE OF COUNCIL BILLS AND REVERSE COUNCILS.

91. **Mr. B. Venkatapatiraju:** Will the Government be pleased to state whether the sale of Council Bills in London and Reverse Councils in India in 1919 and 1920 had anything to do with the non-payment in time by the British Treasury of its dues to India?

The Honourable Mr. W. M. Hailey: Reverse Councils involve disbursements by the Secretary of State for India in London and cannot in their nature, be the result of the non-payment of sums due from the British Treasury. It is possible, however, that the Honourable Member is referring to the investments made in British Treasury Bills on behalf of the Paper Currency Reserve; these investments were made during the war period, and the amounts were paid off at each maturity and re-invested; the greater part of the holdings was disposed of last year in order to provide funds for the payment of Reverse Bills. I hope that the Honourable Member's question does not convey an insinuation that the British Treasury has been behindhand in payment of its dues to India. Such a suggestion would be entirely without foundation, and I must emphatically repudiate it and, even if it were true, there could be no connection between it and the sale of Reverse Councils for the reason I have already given.

POSTAL REMITTANCES.

92. **Mr. B. Venkatapatiraju:** Has the attention of the Government been drawn to the disparity of the rate fixed for postal remittances and the current exchange rate and the 2 shillings per rupee exchange rate fixed by the Government? And will the Government be pleased to enunciate their policy?

The Honourable Mr. W. M. Hailey: Government is aware of the disparity referred to, though I must protest against the inaccurate suggestion that an exchange rate of two shillings has been fixed by Government. The Legislative Council proceedings will make it clear that we never attempted to predict the extent to which rupee sterling exchange might fluctuate during the year. If we had maintained the old ratio of 1s. 4d., the Honourable Member would have been entitled to confront us with a similar disparity between the market rate, the postal rate and the legal ratio; and perhaps he might have done so. As for the present attitude of Government and its future policy, I would refer the Honourable Member to our letter addressed to the Bengal Chamber of Commerce in November last which was widely reproduced in the Press at the time.

COLONISATION OUTSIDE INDIA.

93. **Mr. B. Venkatapatiraju:** (a) Will the Government be pleased to state whether in answer to the enquiries made by the Government in January 1920, about colonisation outside India, any replies were received from the

Local Governments, and, if so, what action the Government propose to take in the matter?

(b) Will the replies of the Local Governments and the orders of this Government be placed on the table?

(c) Will the Government be pleased to state whether there is any prospect of securing any, and, if so, what portion of the territory lately known as German East Africa for Indian colonisation?

Mr. C. A. Innes: Replies have been received from the Local Governments, and Sir Benjamin Robertson, who was deputed, with the consent of the Colonial Office, to visit Tanganyika Territory on his way back from South Africa, has also submitted a report. A Despatch has been sent to the Secretary of State dealing with the whole question, and it is hoped that this Despatch will be published in India at an early date. The Despatch contains a full answer to the Honourable Member's question, and he will, I hope, consent to await its publication.

VIZAGAPATAM HARBOUR AND CONNECTED RAILWAYS.

94. **Mr. B. Venkatapatiraju:** Will the Government be pleased to state whether any, and, if so, what amount was spent out of the sum allotted in the Budget for the construction of Vizagapatam Harbour and the continuation of Vizianagram-Parvatipur Railway line up to Komatlapeta, and if no amount was so spent, to state the reason?

Colonel W. D. Waghorn: The allotments made in the current year to these two works were as follows:

(1) Vizagapatam Harbour	10 lakhs.
(2) Vizianagram-Parvatipur Railway	7 lakhs.

No detailed information is at present available in regard to the actual expenditure which will be incurred against these allotments, but, in view of the fact that it is improbable that any funds will be provided for these projects in next year, the expenditure in the current year is being limited to preliminaries.

MOVEMENT OF PRICES.

95. **Mir Asad Ali Khan Bahadur:** (a) Has Government any recent report regarding the effect of the movement of prices on the economic condition of the people?

(b) Does the Government propose to take steps in the direction of further controlling the export and import trade?

Mr. J. Hullah: (a) Except from the Central Provinces, where there has been a considerable failure of crops, Government have received no reports dealing specially with this subject. They are aware that some hardship is being felt owing to the high prices of foodstuffs and other necessities, but the general movement of the prices of food is now downwards; e.g., the price of common rice at Calcutta has fallen from Rs. 7-6 a maund in October last to Rs. 5-6 a maund now, while the price of wheat at Lyallpur which was Rs. 6-1 a maund in January 1920 is now Rs. 5-8 a maund.