

PROCEEDINGS  
OF THE  
LEGISLATIVE COUNCIL  
OF THE  
LIEUTENANT-GOVERNOR OF THE PUNJAB,  
1910.  
(WITH INDEX)

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VOLUME I.

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Published by Authority of His Honour the Lieutenant-Governor.



Lahore:  
PRINTED AT THE PUNJAB GOVERNMENT PRESS.  
1913.

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LEGISLATIVE COUNCIL  
OF THE  
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PUNJAB GOVERNMENT.  
LEGISLATIVE DEPARTMENT.

*Abstract of Proceedings of the Council of the Lieutenant-Governor of the Punjab, assembled for the purposes of making Laws and Regulations under the provisions of the Indian Councils Acts 1861, 1892 and 1909.*

THE Council met in accordance with the notification of the Lieutenant-Governor of the Punjab, Home—Legislative, No. 44, dated 3rd December 1909, in the Council Chamber at Government House, Lahore, on Monday, the 3rd January 1910, at 11 A.M.

After His Honour the Lieutenant-Governor had taken his seat as President of the Council the following gentlemen, appointed Members of the Council, were duly sworn in as required by Regulation VII :—

The Hon'ble Sardar SUNDAR SINGH, MAJITHIA, Sardar Bahadur.  
 The Hon'ble Mr. JOHN CORNWALLIS GODLEY, M.A.  
 The Hon'ble Malik MUBARAZ KHAN. ✓  
 The Hon'ble Mr. JAMES MCCRONE DOUIE, C.S.I., I.C.S.  
 The Hon'ble Mr. EDWARD DOUGLAS MACLAGAN, M.A., C.S.I., I.C.S.  
 The Hon'ble Mr. ALEXANDER HENDERSON DIACK, C.V.O., I.C.S.  
 The Hon'ble Khan Sahib Sayad MAHDI SHAH. ✓  
 The Hon'ble Mr. JAMES CURRIE.  
 The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI.  
 The Hon'ble Khan Bahadur Khwaja YUSAF SHAH. ✓  
 The Hon'ble Mr. WEBSTER BOYLE GORDON, C.I.E.  
 The Hon'ble Mr. HENRY PARSALL BURT, C.I.E.  
 The Hon'ble Sardar PARTAB SINGH, AHLUWALIA, C.S.I.  
 The Hon'ble Khwaja AHAD SHAH. ✓  
 The Hon'ble Rai Bahadur HARI CHAND.  
 The Hon'ble Rai Bahadur SHADI LAL, M.A., B.C.L., Barrister-at-Law. ✓  
 The Hon'ble Nawab BAHRAM KHAN, Mazari, C.I.E. ✓  
 The Hon'ble Khan Bahadur MUHAMMAD SHAFI, Barrister-at-Law. ✓  
 The Hon'ble Mr. ARTHUR MILFORD KER, C.I.E.  
 The Hon'ble Lieutenant-Colonel HENRY SAMUEL PRICE DAVIES.  
 The Hon'ble Lala SULTAN SINGH.  
 The Hon'ble Mr. MICHAEL WILLIAM FENTON, B.A., I.C.S.  
 The Hon'ble Mr. HENRY PHILLIPS TOLLINTON, B.A., I.C.S.

HIS HONOUR the President then addressed the Council. He said :—  
 "GENTLEMEN,—As above all things it is desirable that we should be a business and not a talking body, I have not thought it necessary to open this our first Session with any great show or ceremony, and I do not propose to waste your time by any long address on the aims and objects of legislative assemblies. Moreover, owing to the limited general field for selection of members at present offered by this Province, many of you have already served on Councils and District Boards or Municipal Committees, and are familiar with the practice and procedure of such bodies, and with the past history of our own Council. So it is unnecessary for me to attempt to give you any account of the routine which we shall have to follow. I must however in extending to you a warm welcome express the satisfaction that I feel in having so representative and capable a body of Councillors to assist me in the administration of this great Province. I thought myself fortunate in having assisted as Chief Secretary at the birth of the Punjab Council in 1897, when I was also the first person to introduce a legislative measure in that assembly, the General Clauses Act,

which still stands on the Statute Roll. I am glad to think that I am still more fortunate in being the first Lieutenant-Governor to preside over this expanded and reformed Council.

✓ "And it is a great expansion that has taken place. The old Council consisted of only 10 Members, of whom 5 were usually officials and all were nominated. It was a purely legislative body, with no powers of Budget discussion or interpellation. The change that has been brought about by the reforms is therefore more sweeping in this Province than in any other. The strength of the Council has been raised to a maximum of 30, with an ordinary strength of 25, of whom 14 are non-officials and 5 are elected. Further, the Council has been given all the privileges of Budget discussion, interpellation, and the power of moving resolutions, that are possessed by the Councils of the more advanced Provinces which have exercised some of these powers for years. The strength of the Council in comparison with the total population of the Province is greater than that of the Councils of the Sister-Provinces of Bengal and the United Provinces, though these have enjoyed for a much longer period a settled and civilised Government under the British Crown. I am aware that in agreeing to this sudden development, I have acted in opposition to the opinion of many of the oldest and wisest Punjab officers, but I hope with some assurance that my confidence in the people of the Punjab will not be abused, and that the new Council will be not only as useful as the old as a legislative body, but will also link together the people and the Government in a bond of closer and more intimate union and serve as a medium for conveying to the Government a truer idea of what the wishes and feelings of the people really are, and to the people a fuller and clearer insight into the objects and reasons of the policy and measures of Government.

"I am sure too that our financial position will be greatly strengthened by the greater control which the people, through you, will exercise over the Budget, and I am hopeful that a much more extensive financial decentralization, which is the only decentralization worth the name, will be possible, when the Imperial Government realises that the tax-payers will have a larger voice in the disposal of the revenues raised.

✓ "It is probably unnecessary for me to remind you of the valuable results of the labours of our predecessors in the matter of legislation. During the existence of the old Council 28 meetings were held and 23 Acts were passed. Most of these measures, such as the Riverain Boundaries Act, the Chos Act, the Registration of Transport Animals Act, the Loans Limitation Act, the Sind Sagar Colonization Act, the Minor Canals Act, the Descent of Jagirs Act, the Court of Wards Act and the Alienation of Land Act, aimed at the improvement of the conditions of the country, either directly, or indirectly by the betterment of the status of the people and the avoidance of litigation. Most, if not all, of these measures have given the widest satisfaction, and if, in the case of one or two, some persons are not quite satisfied, it is not possible to please every one in a matter of the kind, and much of the dissatisfaction was due to misconception, which, in our more popular assembly, should not so easily arise.

"It is premature to lay before you a detailed programme of future legislation. Several most important measures are on the anvil. These deal with the amendment of the Municipal Act, the facilitation of the redemption of mortgages, the improvement of the courts and the relief of these by village Panchayats. Then there are amendments of the Pre-emption Act, and of the Colonization Bill, which have been under consideration for over a year.

"None of these measures, however, have as yet emerged from the crucible of discussion with the Government of India, and so none can be introduced at present. I can, however, assure you that your labours in the near future

are likely to be very arduous, and that you must not look for the comparatively easy time that your predecessors have enjoyed, especially of recent years after the pressure of work in the early days of the old Council was cleared off.

"As Vice-President of the Council I have selected the Hon'ble Mr. Donie.

"I hope that much of our legislation will be carried out during the summer and autumn months when most of us are not so much engaged, so that more time may be left for Budget discussion without throwing out of gear the whole work of actual administration by continuous sittings throughout the touring season.

"You have probably seen the rules and regulations which are to govern our proceedings, and these deserve your most careful study, which will conduce to the prompt and orderly despatch of business. No doubt we may have to introduce subsidiary rules as time goes on to meet the special conditions of our Council, and of the room in which we sit at present. I regret that it is not worthy of the assembly, but it is the best that could be provided in the short time available, and in view of the straitened condition of the provincial finances. With the better times that are, I trust, in store for us, we ought soon to be able to provide more suitable accommodation for all purposes connected with the Council and its Committees.

"Talking of finances, brings me naturally to the Budget. One of our duties to-day is to select the Budget Committee. As time is very short this year, and the Budget conditions are somewhat disastrously simple, I propose a small Committee of four Members, over which the Chief Secretary will preside as Finance Member. I have selected Mr. Tollinton as the second official Member, and it now rests with the non-official Members to select two of their body to serve on the Committee, which should commence its sittings in 10 days.

"The other duty which the non-official Members have to perform is the election of a Member for the Imperial Council. Now, under the regulations for that Council two Muhammadans have perforce been selected to represent the land-holders and the Muslim community. It is not for me to dictate to the non-official Members how they should vote, but I venture to draw their attention to the desirability of securing a representative of Commerce and Industry, so that the Punjab may be well represented in the Imperial Budget discussion which is a matter of vital importance to the interests of the Province. I may also remind you that you are not limited in your selection to your own Members, but that the whole field of the Punjab and all sections and creeds of the community lie open to your choice.

"Gentlemen, there is no need for me to detain you longer, and unless any Member wishes to address the Council we officials may leave the non-official Members to their important duties, in the confident hope that by their unbiassed and unbogoted action in dealing with the matters before them, they will give us a good augury for the future of our Council, which, meeting as it does on a day of the week and of month peculiarly propitious for a peaceful home settling and based on the rock of mutual toleration and esteem, and constituted, I trust, of men acting without fear or favour, or prejudice or passion, will devote itself solely to the well-being and good government of the Punjab and its peoples, and to the honour and glory of the British Crown and Empire."

The Hon'ble Khan Bahadur Mian MUHAMMAD SHAFI said:—"Your Honour.—On behalf of my friends and for myself I beg to offer our grateful thanks for the gracious welcome which Your Honour has been pleased to extend to us in this first meeting of the Council since its formation under

the new Act. The month of January 1910 marks the dawn of a new era—an era, I sincerely trust, of continued peace and increased prosperity for India and of mutual good-will and friendliness between the various Indian and Anglo-Indian communities that owe allegiance to His Majesty the King Emperor and play so important a part in the affairs of this country. The community I have the honour to represent gladly and gratefully recognize that the enlightened and beneficent scheme of reform embodied in the Indian Councils Act and the Regulations framed thereunder, due to the spontaneous action of His Excellency Lord Minto's Government, is the outcome of that liberal spirit which has ever guided British statesmen in their administration of the great and glorious Empire over which England has its sway. To us the expansion of the Imperial and Provincial Legislative Councils, the introduction, on a fairly large scale, of popular representation on electoral basis, the grant of the high privileges of discussing the Provincial Budgets, of moving resolutions, and of asking questions and the recognition, even at considerable risk to its own interests, of the non-official majority in the Provincial Councils, as well as other far-reaching and liberal measures recently adopted, furnish proof positive, if proof were needed, of the solicitude and readiness of the British Government to secure the co-operation of the subject races in the administration of the territories which constitute the British Indian Empire.

"This, Your Honour, is not the occasion for entering into details or for striking a discordant note. From my seat in this Council, I am glad to be able to avail myself of this opportunity to give expression, on behalf of my community, to the feelings of deep gratitude for the priceless gift which has been conferred on the Indian peoples, and I earnestly appeal to my countrymen to co-operate with the authorities in making this great experiment a thorough success. At all events, of the loyal co-operation and support of my community the Government may rest absolutely assured."

The Hon'ble Rai Bahadur SHADI LAL said :—"As Your Honour has observed that we will be judged by our work and not by the length of our speeches, I do not propose to make a lengthy speech. I beg to thank Your Honour heartily for the cordial welcome which Your Honour has given us."

The Hon'ble Sardar PARTAB SINGH said :—"Your Honour I wish to take the opportunity as Secretary of the Punjab Chiefs' Association to thank you for the welcome to the new Council and the great consideration which has always been shown to the Association."

#### ADJOURNMENT.

The Council adjourned *sine die*.

LAHORE :

S. W. GRACEY,

The 3rd January 1910. }

Secretary to the Punjab Legislative Council.



PUNJAB GOVERNMENT.  
LEGISLATIVE DEPARTMENT.

*Abstract of Proceedings of the Council of the Lieutenant-Governor of the Punjab, assembled for the purposes of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 to 1909.*

THE Council met at the Council Chamber, Government House, Lahore; on Saturday, the 12th March 1910, at 11 A.M.

PRESENT :

His Honour Sir LOUIS WILLIAM DANE, K.C.I.E., C.S.I., I.C.S.,  
Lieutenant-Governor, *presiding*.

The Hon'ble Sardar SUNDAR SINGH, MAJITHIA, Sardar Bahadur.

The Hon'ble Mr. JOHN CORNWALLIS GODLEY, M.A.

The Hon'ble Malik MUBARAZ KHAN.

The Hon'ble Mr. JAMES MCCRONE DOUIE, C.S.I., I.C.S.

The Hon'ble Mr. EDWARD DOUGLAS MACLAGAN, M.A., C.S.I.,  
I.C.S.

The Hon'ble Mr. ALEXANDER HENDERSON DIACK, C.V.O., I.C.S.

The Hon'ble Mr. JAMES CURRIE.

The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI.

The Hon'ble Khan Bahadur Khwaja YUSAF SHAH.

The Hon'ble Mr. WEBSTER BOYLE GORDON, C.I.E.

The Hon'ble Mr. HENRY PARSALL BURT, C.I.E.

The Hon'ble Sardar PARTAB SINGH, AHLUWALIA, C.S.I.

The Hon'ble Khwaja AHAD SHAH.

The Hon'ble Rai Bahadur HARI CHAND.

The Hon'ble Rai Bahadur SHADI LAL, M.A., B.C.L., Barrister-at-Law.

The Hon'ble Mr. ARTHUR MEREDITH, I.C.S.

The Hon'ble Nawab BAHRAM KHAN, MAZARI, C.I.E.

The Hon'ble Khan Bahadur MUHAMMAD SHAFI, Barrister-at-Law.

The Hon'ble Mr. ARTHUR MILFORD KER, C.I.E.

The Hon'ble Lieutenant-Colonel HENRY SAMUEL PRICE DAVIES.

The Hon'ble Lala SULTAN SINGH.

The Hon'ble Colonel THOMAS ELLWOOD LINDSAY BATE.

The Hon'ble Mr. HENRY PHILLIPS TOLLINTON, B.A., I.C.S.

OATH OF OFFICE.

The following Members, before taking their seats, took the prescribed oath of their allegiance to the Crown :—

The Hon'ble Mr. A. MEREDITH, I.C.S.

The Hon'ble Colonel T. E. L. BATE.

2 RULES FOR THE CONDUCT OF LEGISLATIVE BUSINESS,  
LAW OF ARBITRATION IN THE PUNJAB.

[ Mr. MacLagan ; Mr. James Currie ; Mr. Muhammad [ 12TH MARCH  
Shafi. ]

RULES FOR THE CONDUCT OF LEGISLATIVE BUSINESS.

The Hon'ble Mr. MACLAGAN moved that the Rules for the Conduct of the Legislative Business of the Council of the Lieutenant-Governor as circulated to the Hon'ble Members be considered and passed.

The motion was put and agreed to.

✓ LAW OF ARBITRATION IN THE PUNJAB.

The Hon'ble Mr. JAMES CURRIE moved for leave to introduce a Bill to amend the Law of Arbitration in the Punjab. He said :—" Arbitration is universally accepted as a convenient and suitable method for the settlement of disputes, and in most countries where men trade a code for the guidance of arbitrators stands a prominent feature in the statute book. In 1899 the Indian Arbitration Act became Law at Calcutta, Bombay, Madras, Rangoon and Karachi. Great success attends it. It has gained the confidence of business men, because it utilises the commonsense of the expert, the administration of justice under it is prompt, and the awards it legalises are final. It is therefore that business men in up-country trade centres feel that they should no longer be denied the facility it affords. The spread of education and the rapid development of commerce in this Province justifies the call for it, indeed, when it comes and when legislation permits it to be applied at Delhi, it will be found that the merchants of that city, Indians and Europeans alike, are quite conversant with the system and are in a position to operate it in a proper manner. They have now a code of rules which compels the submission of disputes in the piece-goods trade to the arbitration of recognised surveyors, but it is felt that the application of the Arbitration Act of 1899 is necessary to legalise awards. As the Act stands it will be seen that in section IV 'submission' means an agreement to submit present or future differences to arbitration whether an arbitrator is named therein or not. It is considered that this definition covers too much, is too general to be applied to any district up-country, at any rate, for the present. It would, it is believed, affect many agreements which the parties thereto would not desire or contemplate that it should affect. It is therefore proposed to circumscribe the scope of the 'submission' by inserting after the word 'Arbitration' the words 'under the Indian Arbitration Act, 1899.'

" This will not in any way impair the usefulness of the Act for the purposes for which merchants require it ; at the same time it will leave the parties free who may wish to have their disputes dealt with and settled as they are settled now. In other words, the power remains with contracting parties to stipulate in their agreement that this Arbitration Act shall or shall not apply.

" It is therefore proposed to accomplish this by a short Bill which will provide that in the Punjab the definition of the word 'submission' shall be limited so as to include only references to arbitration in which it is explicitly declared that the arbitration shall be arbitration in accordance with the terms of the Indian Arbitration Act, 1899. This will not affect the present definition for places outside of the Punjab. In the meantime it is intended that the Act should only be brought into force in Delhi, but as progress is made and other trade centres develop, the Act can be extended to them by a notification."

The Hon'ble Mr. MUHAMMAD SHAFI said :—" Your Honour, in rising to support the motion for leave to introduce the Bill of which the Hon'ble Mr. CURRIE is in charge, I desire to point out that the wording of section 2 of the BILL does not adequately carry out the object which the Hon'ble Member has in view. As I understand it, the real object of the enactment is to restrict the definition

**LAW OF ARBITRATION IN THE PUNJAB,  
REVISED FINANCIAL STATEMENT, 1910-11.**

3

1910.] [ Mr. Muhammad Shafi; President; Mr. James Currie;  
Mr. MacLagan. ]

of the word 'submission' only to those agreements in which the parties declare that the provisions of the Arbitration Act shall apply. Now, the Provincial Government is empowered by section 2 of the Indian Act to declare it to be applicable to any local area as if it were a Presidency town. Upon such declaration the consequences specified in section 3 follow, *i.e.*, the provisions contained in section 21 of the Specific Relief Act as well as in the Code of Civil Procedure are no longer applicable to such local area. In other words, by virtue of such declaration, all submissions to arbitration are, *ipso facto*, governed by the Indian Arbitration Act and are, therefore, to be deemed to be under that Act. This being so, the mere addition of the words 'under the Indian Arbitration Act' in the definition of the word 'submission' as contained in section 4 (b) of the Imperial enactment does not, I am afraid, carry out the object which the present Bill is designed to achieve. What the Hon'ble Mr. CURRIE desires is that the issue of a notification under section 2 should not make the provisions of the Act applicable to all submissions, but that the parties to an agreement may still have the option to state in the agreement itself whether they will be governed by those provisions or not. It is, therefore, necessary to make the language of section 2 of the Bill more precise by substituting the latter half of the last sentence of the Statement of Objects and Reasons in place of the expression 'under the Indian Arbitration Act.'

His Honour the PRESIDENT said:—"I thank the Hon'ble Member for his suggestion. I apprehend that the Hon'ble Mr. SHAFI does not object to the Bill. The amendment could be brought in at a later stage of proceedings."

The motion was put and agreed to.

The Hon'ble Mr. JAMES CURRIE introduced the Bill.

The Hon'ble Mr. JAMES CURRIE moved that the Bill, together with the Statement of Objects and Reasons, be published in the *Punjab Government Gazette* in English and Urdu, and be circulated for the purpose of eliciting opinion thereon.

The motion was put and agreed to.

His Honour the PRESIDENT said:—"That concludes the Legislative Business of the Council. It is now our duty to go into what we may call a Committee of Supply for the year 1910-11. I understand that no Hon'ble Member has yet sent in any Resolution which in accordance with the Rules and Regulations for the conduct of Business is ordinarily necessary in order to enable the Hon'ble Members to make remarks. But the whole proceedings are new, and we have no desire to exclude any observations of the Hon'ble Members if they have any to offer. If any Hon'ble Member therefore wished to make any remarks or ask for any explanation, I am sure the Hon'ble Members in charge of the various sections of the Budget will try to answer them to the best of their abilities."

**REVISED FINANCIAL STATEMENT, 1910-11.**

The Hon'ble Mr. MACLAGAN in presenting the Revised Financial Statement for 1910-11 made the following explanatory remarks:—

"1. As this is the first occasion on which the Provincial budget in the Punjab will be considered by this Council, I think it will be advisable for me before dealing with the figures for the ensuing year, with which we are primarily concerned to-day, to offer some preliminary explanations as to the character and meaning of the items which enter into the accounts and as to the general trend of income and expenditure in this Province of recent years. If in doing this I am merely repeating what many of you know already, I trust that I may be excused, as it is inevitable that some of us should be amateurs in this matter. I propose therefore to divide what I have got to say into three heads.

[ *Mr. MacLagan.* ]

[ 12TH MARCH.

" I shall first explain generally the meaning of the headings shown in our accounts ; then I shall trace the general history of the finances during the last five years, and lastly, I shall make certain remarks regarding the estimates for 1910-11, dealing more especially with the subjects for which I am personally the Member in charge.

" 2. I have caused to be distributed to Hon'ble Members a statement showing not only the estimate for the ensuing year, but also the revised estimate for the current year 1909-10 and the actuals for each year since the 1st of April 1905. In the memorandum which I have distributed along with this statement I have explained why this date has been taken as the starting point. It represents the date from which the present settlement with the Government of India commenced, and I have noted in the memorandum the manner in which under the present settlement the income and expenditure of the Province is divided between the Imperial Government and ourselves. The statement which has been distributed is necessarily confined to the provincial portion of the revenue and expenditure. The income is, according to accounts procedure, shown under various heads, technically known as Major Heads indicated by Roman numerals, and the expenditure under similar heads indicated by Arabic numerals. The heads shown in the statement are those entering into the Provincial accounts only. It will be observed that there are gaps in the numerals prefixed to these heads, and this is explained by the omission of wholly Imperial heads. I have attached to the statement an appendix showing the assignments and contributions which are made by or to the Imperial Government, and I should explain that the practice is to adjust the net result of these cross assignments or contributions by addition to or deduction from the largest head of account shared between Imperial and Provincial, which happens to be that of Land Revenue.

" 3. Turning now to the several heads of account shown in the statement, I will, starting with the income, endeavour to indicate briefly the nature of the transactions which enter into them. Under the first head, namely, I—Land Revenue, are shown in detail in the statement the minor or sub-heads of ordinary revenue (that is to say, the ordinary land revenue, fixed and fluctuating, assessed on agricultural lands) ; the proceeds from the sale of Government estates and waste lands, which for the most part represent the income received from the sale of proprietary rights in grants in the canal colonies to yeomen and capitalist colonists and the nazarana received on grants made in the canal colonies ; and certain miscellaneous items, *e.g.*, mutation fees, revenue record-room receipts, grazing dues, etc.

" The item IV—Stamps includes the income from general and court-fee stamps, chiefly the latter.

" The head V—Excise comprehends chiefly the income from license and distillery fees. It should be noted that the head II—Opium is entirely Imperial, but the Provincial account is entitled to one item of opium revenue, namely, the difference between the price at which excised opium is sold and its cost price. This difference is credited to Excise, and as such benefits Provincial revenues by a moiety.

" Under VI—Provincial Rates the famine cess used to be shown until its abolition in 1906-07. The items now credited there represent merely the income received from the cess on estates under the Court of Wards.

" Under VIII—Assessed Taxes is shown revenue from Income-tax.

" Under IX—Forests appears the income from the sale of timber and forest produce.

" Under X—Registration are shown the fees for registering documents and for copies of the same.

1910.]

[ *Mr. MacLagan.* ]

"The entry under XII—Interest requires some explanation. The loans which are made by the Provincial Government to Municipalities and, in the shape of takavi, to agriculturists are obtained from the Government of India. The Provincial Government pays to the Government of India  $3\frac{1}{2}$  per cent., realizing somewhat higher rates from the Municipalities and agriculturists to whom the loans are made; and takes the risks of collection and the ultimate liability for the principal, should, as it sometimes happens, circumstances render the writing off of takavi loans inevitable. The interest recovered from the Municipalities and agriculturists is credited under XII—Interest as income, and the payment to the Government of India is debited under the corresponding expenditure head 13—Interest on Ordinary Debt.

"Under the head XVI A—Law and Justice—Courts of Law are shown chiefly the proceeds of fines and receipts of judicial record-rooms.

"Under XVI B—Law and Justice—Jails are shown the proceeds of articles manufactured in jails.

"Under the head XVII—Police is shown the payment for police supplied to Municipalities or private persons.

"Under XIX—Education the fees received from Government Schools and Colleges are credited.

"The small income under XX—Medical represents chiefly the fees received from the Medical College and other small items such as fees realized from paying patients at the lunatic asylum.

"The income under XXI—Scientific and other Minor Departments includes chiefly realizations of sale of produce in the Agri-Horticultural Gardens at Lahore, income from experimental cultivation, and fees from Horse and Cattle Fairs, and the like.

"The head XXII—Receipts in aid of Superannuation represents mainly the contributions received on behalf of pensions due to officers of Government lent to Native States and local bodies, and of the capitalized value of pensions earned in Local Fund Service.

"The income under XXIII—Printing is that received for work done for public departments by jails and by the Secretariat Press, and that under XXV—Miscellaneous is now chiefly composed of contributions received from local bodies, notably the 20 per cent. contribution from District Boards for certain services provided for in the District Boards Act, and the receipts of what used to be known as the Copying Agency Fund.

"The three remaining heads relating to Irrigation and Civil Works are shown in two portions in the statement according as the accounts relating to them are kept on the books of the Civil Accountant-General or the Examiner of Public Works Accounts.

"Under the head XXIX—Irrigation—Major Works, there are shown under the Civil Head the proceeds from owners' rates and the portion of land revenue which is due to Irrigation. This latter item represents the rates variously known as nahri parta, canal advantage rate and the like, and the land revenue and malikana in the Canal Colonies. Under the Departmental Head is shown the proceeds of occupiers' rates and other direct sources of canal income. Similarly as regards Minor Works, head No. XXX, the petty receipts under the Civil Head are from irrigation dependent on the Najafgarh Jhil and certain bunds in the Gurgaon district, while the departmental income represents the direct returns received from Minor Irrigation Works, chiefly Inundation Canals, managed by the Canal Department.

"Under head XXXI—Civil Works the civil portion of the income is composed chiefly of the contributions made by local bodies under a system by which certain properties, such as nazul lands, ferries, and the like, which belong to Government, have, under the localization scheme initiated in 1885, been

[Mr. MacLagan.]

[12TH MARCH]

handed over to local bodies who undertake the management for a quinquennium on a financial arrangement involving a payment to or by the Provincial Government. The income under the Departmental Head for Civil Works represents the direct income from works managed by the Public Works Department, such as rent, sale-proceeds of buildings, etc.

"At the end of the page, which shows the Provincial revenue and receipts, comes the head Contributions, and in this connection I should explain that until the year 1907-08 the accounts of District Boards were incorporated in the Government accounts, and payments to or from District Boards were adjusted in the Provincial accounts as contributions. In 1908-09, the District Board accounts were excluded from the Government books and, in accordance with account procedure, transactions between Government and these funds are now treated like payments to or from any other private or public body, external to Government and entered under the appropriate account head suggested by the nature of the transaction. It will be observed that the income from Contributions practically comes to an end in the year 1908-09, and in the same year there is a corresponding increase under certain heads, notably Education, Miscellaneous and Civil Works.

"4. Turning now to the heads of expenditure.

"Head 1—Refunds and Drawbacks is shared between the Provincial and Imperial Governments in the same proportion as the corresponding income which is refunded or on which the drawback is made. The refunds are chiefly on account of Revenue and Stamps.

"Head 2—Assignments and Compensations relates chiefly to pensions given in the place of resumed jagirs.

"Under the head 3—Land Revenue there are three main items of expenditure, namely, District Administration, Survey and Settlement and Land Records. Under District Administration is shown the cost of the English and Vernacular Office establishments of Deputy Commissioners, Tahsildars and Naib Tahsildars and their establishments, and half the cost of members of the Punjab Commission and the Provincial Civil Service, who are in the ordinary line. The other half of the cost under this item is debited to the head 19A—Law and Justice—Courts of Law—Criminal Courts, for the reason that, generally speaking, half the duties of these officials is of a revenue and half of a judicial character. Under Survey and Settlement is shown the cost of the Settlement Commissioner, Settlement Officers and their establishments as well as cost of such work done by the Imperial Survey as relates to revenue. Under the head Land Records is shown the cost of the Director of Land Records and the Kanungo and Patwari establishments. The last was met from the Patwar Fund till its provincialization in 1906-07, but is now met from Provincial fund with the aid of the fixed annual Imperial assignment of Rs. 15,64,000.

"Under the head 6—Stamps is shown chiefly the discount given to vendors of stamps on their sale and the value of stamp paper supplied from the Central Stores, while under the head 7—Excise is shown the cost of the executive Excise establishment.

"Under 10—Assessed Taxes is shown the cost of the clerks, etc., entertained for controlling the collection of income-tax.

"Under 11—Forests appears the cost of Forest establishment, the expenditure on removing forest produce, making roads, sowing and planting, and conservation generally.

"Under 12—Registration is shown the pay and commission given to Sub-Registrars and the cost of their establishments.

"The entry made under 13—Interest on Ordinary Debt has already been explained in connection with the revenue head XII—Interest.

# REVISED FINANCIAL STATEMENT, 1910-11

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[ Mr. MacLagan. ]

"Under 18—General Administration is shown the expenditure on the Lieutenant-Governor and his establishment, the Legislative Council, the Civil Secretariat, Financial Commissioner and Commissioners, and so forth.

"Under 19 A—Law and Justice—Courts of Law is shown the cost of the Chief Court, Law Officers, Divisional Courts, District Judges, Munsifs, Process-serving establishment and Small Cause Courts; as well as half cost of the Commission and Provincial Civil Service referred to under 3—Land Revenue.

"Under 19 B—Law and Justice—Jails comes the cost of Jail establishment, Jail manufactures, the maintenance of prisoners, and so forth.

"Under 20—Police is included the cost of the District Executive Force, Railway Police, special Police, the Border Military Police of Dera Ghazi Khan, Barkandaz guards on Railways and with the Public Works Department, and Municipal Police.

"Under 22—Education are shown items such as the grant made to the University, the cost of Direction and Inspection of Government colleges and schools, and of grants-in-aid to private institutions.

"Under 24—Medical there are four main sub-heads of expenditure, namely,—

- (1) General Medical establishment and cost of hospitals and dispensaries,
- (2) Expenditure on Sanitation and Vaccination, and
- (3) Expenditure on Plague.
- (4) Miscellaneous items, such as the Medical School and College, Lunatic Asylum, &c.

"The expenditure under 26—Scientific and other Minor Departments is mainly in connection with the development of agriculture, the Registrar, Co-operative Credit Societies, and the provision of veterinary aid in the Province.

"Under 29—Superannuation Allowances and Pensions are shown the pensions of all retired officials chargeable to Provincial revenues and pensions earned in Local Funds, but capitalized.

"Under 30—Stationery and Printing no explanation seems to be required.

"Under 32—Miscellaneous is shown chiefly the cost of the copying agency establishment and certain minor charges of a miscellaneous character.

"The heads 33—Famine Relief and 36—Reduction or Avoidance of Debt require some explanation. The policy up to 1905-06 was that all expenditure in connection with the relief of famine should, in the first instance, be met, as far as possible, from local resources. When these were depleted Provincial funds were drawn on, and when the minimum of provincial safety had been reached the Imperial Government stepped in. In 1907-08 a new system was introduced by which the Provincial Government receives an annual contribution of Rs. 1,40,000 from the Imperial Exchequer, subject to a maximum of 10 lakhs, any expenditure in excess of the amount so provided being shared equally between the Provincial and Imperial Governments. As this contribution is made in the form of an assignment through the Land Revenue head and merges in the general Provincial balances, a debit to 36—Reduction or Avoidance of Debt—a new head in the Provincial accounts—is simultaneously raised to secure it from being operated against for other objects. A *pro forma* account is at the same time maintained by the Accountant-General which receives credit for the annual premium and debit for actual famine expenditure incurred.

"The expenditure under Irrigation and Civil Works is divided, as in the case of Income, into Civil and Departmental items. The expenditure under the Civil Head 42—Irrigation—Major Works represents the interest on the capital borrowed for the construction of such works, while the expenditure under

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the corresponding Departmental Head represents the direct expenditure on the improvement and maintenance of the major canals. The expenditure on the construction of new canals which is met from borrowed capital is not shown in the Provincial accounts. The petty-expenditure shown under the Civil Head 43—Irrigation—Minor Works and Navigation is that incurred on small civil establishments connected with Irrigation Works managed by Civil Officers and the expenditure under the corresponding Departmental Head represents the direct expenditure on the improvement and maintenance of minor canals as shown on the books of the Public Works Examiner.

"The civil items under the head 45—Civil Works relate chiefly to contributions made to local bodies and to expenditure on dak bungalows and other small works controlled by Civil Officers. The corresponding Departmental Head relates to the Public Works Department of the Roads and Buildings Branch in respect of expenditure on the construction and maintenance of roads and buildings belonging to all Provincial Departments.

"5. I would now invite a comparison between the figures for 1905-06 and those for 1909-10, so that we may obtain a general idea of the progress of our finances during the five years that have elapsed since the new settlement with the Government of India was introduced.

"As regards the receipt side of the accounts, our figures, so far as they may be taken to represent a large increase of the revenue derived from the Province, are misleading. From the figures given in the return provided to Members of the Council it might be assumed that the revenue had risen from Rs. 2,73,00,000 in 1905-06 to Rs. 3,53,00,000 in 1909-10, suggesting an increase of 80 lakhs. So far as this means that the revenue available for Provincial expenditure has increased by this amount the assumption is of course correct, but the increase indicated must not be taken as representing the actual increase of the revenue derived by the Provincial Government from normal Provincial resources. A reference to the list of assignments appended to the statement will show that the net assignments received from the Government of India have increased during the five years by 32.84 lakhs, most of which is for fresh expenditure imposed by changes in fiscal policy or to finance some fresh service. Then again the abolition of the Copying Fund gave us an additional income of about 2 lakhs which was not shown on the public accounts at all before 1908-09 and against which we have to set off a corresponding expenditure. If these two items are deducted, the increase in income is reduced from 80 lakhs to 45, giving an average of 11 lakhs per annum. But even this is misleading as an index to the normal growth of income because of the large fluctuations, which, under the elastic system of collections now in force, affect the preponderating item of land revenue. Our financial figures would lead us to assume an average rise of some 4½ lakhs per annum for all kinds of provincial land revenue, but it must be remembered that in 1905-06 we collected some 20 lakhs below the fixed land revenue demand for the corresponding agricultural year, while in 1909-10 we are collecting some 18 lakhs above it. It is difficult to determine the normal land revenue collections of any year, or even the normal fixed land revenue collections. If we take the Financial Commissioner's returns, which are kept for the agricultural year, and if we pay due regard to the conversion of fixed into fluctuating demands over considerable areas, we find that in the year ending September 30th, 1910, the fixed land revenue demand on the area now under fixed land revenue will have risen since September 30th, 1906, from 203 lakhs to 210 lakhs, giving an average increase of 1½ lakhs per annum, of which the Provincial share would be about ⅔ of a lakh. The gross income under all heads of Land Revenue has in the five years ending 31st March 1910 averaged 265 lakhs against an average in the previous five years of 251 lakhs, so that under our financial head of Land Revenue we may count on an average increase of some 2½ lakhs per annum of which the Provincial share would be a trifle over one lakh. The normal increase of our land revenue income has therefore been comparatively small.



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"If we exclude land revenue from consideration, our income has risen by  $7\frac{1}{2}$  lakhs per annum or 4·7 per cent., of which  $4\frac{1}{2}$  lakhs are due to Irrigation, 1 to Excise and  $1\frac{1}{2}$  to Stamps. The increase of income under Irrigation has, I may note, been due to expansions of canal cultivation and not to enhancements of water-rates. In most of the other items of income, as in those above mentioned, the increase has been steady and normal. Under the head Forests there has indeed been a decrease of income, but it is met to a large extent, if not entirely, by a corresponding decrease in expenditure, owing mainly to the substitution of contractors for Government agency in the exploitation of our forests. There is also an apparent considerable increase in the Education income in the year 1909-10, but the real increase has been much exaggerated by the fact already mentioned in the memorandum that large arrears of contributions due from the Aitchison College, amounting to more than a lakh of rupees, were paid in the year 1909-10 on account of the sums due for several previous years. There is, moreover, as has already been noticed, an entire disappearance of the head 'Contributions,' but this is counterbalanced by a corresponding increase in the heads 'Miscellaneous' and 'Civil Works' to which the items formerly shown as contributions are now credited. Under the bulk of the ordinary heads of income there has been a gradual and moderate rise amounting under Stamps to 7 per cent. per annum, under Excise to 6 per cent., under Income Tax to  $5\frac{1}{2}$  per cent., under Registration to 7 per cent., under Courts of Law to 3 per cent., under Jails to  $4\frac{1}{2}$  per cent., under Stationery to  $16\frac{1}{2}$  per cent., and under Irrigation to  $7\frac{1}{2}$  per cent., and the general result is that the income of the Province, excluding extraneous additions, has undergone during the last five years a normal and steady, though not over-rapid, increase.

"I may in this connection incidentally note, although it is not brought out by the figures in the budget, that the people of this Province have, during the last five years, been relieved of a very considerable amount of taxation. They have in the first place been relieved of the patwar cess amounting to some  $15\frac{1}{2}$  lakhs per annum and of the famine cess amounting to about  $6\frac{1}{2}$  lakhs. They have also been relieved of the necessity of providing chainmen for measurements in the resettlement of districts, and this relief alone is calculated to amount to over 2 lakhs of rupees per annum. In addition to the above the Province, in common with the rest of India, has benefited by the reductions made in 1905-06 and 1907-08 in the salt tax, and the total amount of the benefit thus received by Punjab may be taken as not less than 20 lakhs per annum. While, therefore, the income of the Province, generally speaking, has been steadily rising, this rise has been accompanied by a very considerable reduction in taxation.

"6. Now as regards the expenditure side of the account, it will be seen that if the figures are to be followed as they stand, the expenditure debited to the Provincial account has risen from 301 lakhs to 342 lakhs,—an increase of 41 lakhs. Part of this increase is nominal only, and represents merely the incorporation in the accounts of expenditure already in existence, such as the  $15\frac{1}{2}$  lakhs of the Patwar Fund and the 2 lakhs of the Copying Fund. Part of the increase again is new expenditure, but met from Imperial contributions. The increase that remains after excluding the above, that is, the total increase in expenditure between 1905-06 and 1909-10, which has to be met from increases in ordinary income, may be taken to be not more than about 6 lakhs. If we exclude merely the Patwar Fund and the Copying Agency Fund, the items which represent expenditure already incurred before their inclusion in the public accounts, the actual increase of expenditure in the public accounts may be put at about  $22\frac{1}{2}$  lakhs, of which 20 lakhs have been absorbed by the four great departments,—Police (10 lakhs), Education (4 lakhs), Medical ( $2\frac{1}{2}$  lakhs) and Agriculture ( $4\frac{1}{2}$  lakhs). In each of these four departments there has been a distinct and organized effort towards improvement, and a considerable part of the resulting expenditure has been financed by the Government of India. To appreciate the demands of these four great departments, it will be better to take as our initial starting point the year 1904-05 instead of the year 1905-06.

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as in 3 out of the 4 cases the schemes for improvement date from the year 1905-06.

" Since the year 1904-05 there has been an increase in the expenditure on Police of 15 lakhs per annum, of which 13 lakhs are met from the assignment made by the Government of India. The present additional charge to Provincial revenues is accordingly 2 lakhs. This expenditure is the result of the recommendations made by the Police Commission, and it was due very largely, though not entirely, to the reforms gradually carried out as a result of the recommendations of that Commission. The actual increase of expenditure on establishment resulting directly from those recommendations was estimated to cost 14 to 15 lakhs, towards which the Government of India decided to provide an annual assignment of 13 lakhs only, leaving the Provincial Government to finance the difference. The increase in establishment has of course entailed considerable increases in contingent expenditure and travelling allowances which are put at 5 lakhs per annum. There have, moreover, been increases in the force due to normal causes, such as the extension of population, formation of new districts, extension of railway lines and additional buildings. It is hoped, however, that the limit as regards establishment will be reached before long, and although there is at present outstanding a formidable list of police buildings to which administrative sanction has been given by Government, and of which the cost is estimated to be 7 lakhs, every effort is being made to acquit ourselves of this obligation with as much caution and economy as possible.

" The expenditure under Education rose from 12½ lakhs in the year 1904-05 to over 22 lakhs in the year 1909-10. Out of this increase of 9½ lakhs, 3 lakhs represents the contribution made by the Imperial Government towards Primary Education, and the remaining 6½ lakhs consists partly of a Provincial grant of 1½ lakhs to Primary Education, and partly of increased outlay on High Schools (which is to a large extent met by Municipal contributions and by fees) and of increased grants-in-aid. The advance in educational outlay dates from the year 1905-06, and the expenditure since that date has been practically stationary. The apparent increase between 1905-06 and 1909-10 as shown by our figures is due to the fact that the contributions to District Boards were not shown under this head till 1908-09.

" The expenditure under Medical has since 1904-05 risen from 11 lakhs to 13½ lakhs. This head has had to bear throughout the years under consideration the expenditure entailed by Plague, but the grant for Sanitation was not commenced till the year 1908-09, and has not yet been fully worked up to. A lakh and-a-half of this grant, moreover, has hitherto been recorded under the head Civil Works.

" It is under the head Scientific and other Minor Departments that the most remarkable instance of increased expenditure is to be found, as we have been under that head creating what is practically an entirely new department for the improvement of agriculture and veterinary aid. The expenditure here has risen from 2½ lakhs in 1904-05 to 7½ lakhs in 1909-10. The Government of India has met part of the increased expenditure entailed by an annual grant of 2½ lakhs which the Provincial Government is prepared to supplement. Under the particular items of this head, for which the Government of India grant is specially intended, the expenditure has risen from 1½ lakhs in 1904-05 to 6½ lakhs in 1909-10, and although the complete scheme of agricultural education and of experimental and demonstration farms, of increase to veterinary dispensaries, and so forth, has not yet been carried out, a great deal has been done to fulfil the objects aimed at in the large project initiated in 1905-06.

" In the other heads of expenditure, after excluding the 4 departments above dealt with, there is not much to call for special notice. The large increase which occurs under Land Revenue since 1905-06 is due mostly to the inclusion since 1906-07 of the expenditure on patwaris, and if this were excluded, the annual

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increase under Land Revenue amounts to 2 per cent. per annum only; that under Courts of Law comes to  $\frac{3}{4}$  per cent. and under jails  $1\frac{1}{2}$  per cent. Under Stationery there is an increase of 11 per cent. per annum, but there is at the same time an increase of  $16\frac{1}{2}$  per cent. in the corresponding income head. Under the head Forests the net income has since 1905-06 decreased from  $2\frac{1}{2}$  lakhs to  $1\frac{1}{2}$ , but this is to a large extent accounted for by the fact that the earlier figure includes an unduly large contribution from the Hazara Division in the North-West Frontier Province, and also to the fact that profits between the years 1903 and 1908 were swollen by reason of the surplus stock of timber in the rivers. The expenditure under Irrigation shows a general rise of 4.3 per cent. per annum, or if we exclude the interest on capital, 3.5 per cent. Under the head of Civil Works there is a considerable variation according to the resources of the Province, it being customary in bad seasons to apply the shears to this section, the orphan child which is the first to feel the pinch of Provincial poverty. The Public Works expenditure in the earlier years was considerably swollen by the expenses entailed by the earthquake, and there was a steady decrease in expenditure under this head during the years of scarcity which followed, with a slight increase, the more prosperous year 1909-10, which we are at present considering.

"7. It will be noticed that the balance at the disposal of Government has decreased from nearly 80 lakhs on the 1st of April 1905 to  $25\frac{1}{2}$  lakhs, with which we expect to close the present year. The opening balance of 1905-06, however, was an abnormally large one as it included a special allotment of 50 lakhs in order to start the new settlement. Of that 50 lakhs, 21 lakhs were expressly intended to cover future expenditure on measures required for the prevention of plague, and the expenditure of this sum together with that of the rest of the assignment has been suitably spread over the succeeding five years. In addition to the above sum a special grant was made of 20 lakhs of rupees to meet the expenditure caused by the extension and improvement of Simla, and of this sum it is estimated that some  $11\frac{1}{2}$  lakhs will have been spent by the end of the current year. If we take away from the opening balance in 1905-06 the 50 lakhs which were given as a special grant and the  $11\frac{1}{2}$  lakhs which have been spent on Simla extensions, the initial balance is reduced to some  $19\frac{1}{2}$  lakhs only as against the  $25\frac{1}{2}$  lakhs, with which we are now providing. It is essential that the Province should have a minimum working balance of 10 lakhs, the limit of safety, which cannot be trenced upon except in cases of emergency, and it will be seen that the balance with which we propose to close this year will considerably exceed that minimum.

"8. I now come to the estimates for the following year 1910-11. I have already supplied a general explanation of the figures in the memorandum which is in the hands of Members, and all I propose to do now is to add a few remarks on the heads of account for which I am the Member in charge.

"I may first mention four comparatively small heads, VI—*Provincial Rates, 1—Refunds and Drawbacks, 2—Assignments and Compensations*, and 35—*Reduction or Avoidance of Debt*. These last three call for no remark, as the figures virtually repeat those of previous years; and the small decrease we propose in the income from Provincial Rates is due to the fact that we are now budgetting for the Court of Wards Cess only, whereas in previous years there were certain arrears of the obsolete patwar and famine cesses also included under this head.

"I would then invite attention to the expenditure head 18—*General Administration*, where an increase of over  $\frac{1}{2}$  a lakh is contemplated. As explained in the memo., 20,000 of this is due to the proposed appointment of a third Secretary to Government. The Punjab is the only large Province in India that is provided with less than three Secretaries, and, though we have staved off the proposal as long as possible, it is felt that owing to increase of

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work it will not be feasible to get on for much longer with two Secretaries only. Another 8,000 of the increase is due to ourselves, the charges connected with the Legislative Council being expected to rise from 2,000 to something like 10,000 in consequence of the increase in numbers. Another 21,000 represents an increase under Commissioners of Divisions and their establishments. Part of this is due to expected increases in Miscellaneous expenditure, such as the purchase of tents, and part to leave allowances, which are estimated by the Accountant-General. A proposal is before the Government of India for the appointment of a 2nd Financial Commissioner and certain other subsidiary changes, but, as the savings from offices abolished under the scheme are equal to the increased expenditure entailed, the proposals do not affect our budget totals. Some 3,000 have, however, been added under the head of General Administration on account of the recent increase in the travelling rates for 1st and 2nd class passengers.

"There remain four heads which are shown both under income and under expenditure, *vis.*, Interest, Superannuation Pensions, Stationery and Miscellaneous.

"There is a falling off in income from *Interest*, which is found both in the case of loans to Municipalities and in that of advances to cultivators. In the former case it is explained by the repayment of loans and in the latter by the large recoveries of the current year. As regards Interest *paid* by the Province, there is also a decrease, which is due mainly to the larger repayments of the loans in the current year rendered possible by the improved agricultural conditions.

"The money received from Local Bodies and others in aid of Government pensions has varied little, while the money paid in pensions continues to increase. It may be of interest to note that 2 lakhs of pensions are paid to revenue establishments,  $1\frac{1}{2}$  lakh to the post office,  $2\frac{1}{2}$  to judicial establishments,  $5\frac{1}{2}$  to police and 3 to Public Works.

"Our *Stationery* Receipts are fairly normal, and the decrease shown by the figures is due mainly to some arrears of jail bills having been collected in the current year. The stationery expenditure is not expected to exceed that of the current year, and special steps are being taken, with the help of the Controller of Stationery, to curtail expenditure under this head.

"Lastly, there is the head *Miscellaneous*. Under this head it will be seen that our income is expected to increase by  $\frac{1}{2}$  lakh and our expenditure to decrease by  $\frac{1}{2}$  lakh. These changes are largely accounted for by the fact that two District Boards overdraw their accounts in the current year and are expected to repay a considerable portion of the overdrawal in the following year. The other small items under these heads show no marked variations.

"9. Before sitting down I wish to add a word as regards the general effect of the new procedure under which the estimates are laid before this Council. This is the first time that this has been done, and the procedure has to a large extent been elaborated while the budget has been under preparation. There has inevitably been some hurry and confusion in our arrangements which we hope to avoid in future years, and I trust that in view of the circumstances the Council will pardon our shortcomings in the presentation of the figures on this occasion. In the disposal of the unallotted items of expenditure we received considerable assistance from the unofficial Members who were appointed by this Council to the Finance Committee, and in acknowledging this valued help I trust that in future years we may be able to expand the use which we have made of it in this the first year of its employment. I personally, and I think I may say the same of the other Members in charge, have welcomed the opportunity which the new procedure has afforded us of taking a comprehensive view of our responsibilities, and I trust that our experience on this occasion will lead not only to a better presentation of the figures on the next occasion, but also to an increased vigilance in the administration of the public interests during the ensuing year.

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" 10. I ask permission to lay before the Council the figures under the following heads of income :—

VI—Provincial Rates ;

XII—Interests ;

XXII—Receipts in aid of Superannuation ;

XXIII—Stationery and Printing ;

XXV—Miscellaneous ;

and under the following heads of expenditure :—

1—Refunds and Drawbacks ;

2—Assignments and Compensations ;

13—Interest on Ordinary Debt ;

18—General Administration ;

29—Superannuation Allowances and Pensions ;

30—Stationery and Printing ;

32—Miscellaneous ;

36—Reduction and Avoidance of Debt."

The Hon'ble Mr. SHADI LAL said :— " The summary of the statement supplied to the Hon'ble Members of the Council does not give full information. In future, can the Finance Member kindly supply the Members of the Council with the full budget containing details of income and expenditure under the various heads ? Without the complete statement it is difficult for a Member to give any opinion on the Financial Statement."

The Hon'ble Mr. MACLAGAN said :— " It would be impossible to give the complete detailed figures, but I think the minor heads could be shown, and propose to show them in future."

The Hon'ble Mr. SHADI LAL said :— " I should like to be informed whether the Finance Committee has the right to discuss the entire Draft Financial Statement or whether its functions are limited to the allotment of ' Unallotted Expenditure.' I submit that my own opinion was that the Finance Committee could consider and discuss all the items in the Draft Financial Statement, but as my colleagues on the Finance Committee were of a different opinion, I want to have the ruling of the Chairman for future guidance. I refer to some of the rules framed by the Lieutenant-Governor under section 5 of the Indian Councils Act, 1909, for the discussion of the Annual Financial Statement, more especially to Rule 1 (1) which defined ' Finance Committee ' as meaning the Committee of the Council appointed to consider and revise the Draft Financial Statement, and Rule 2 which provided that the Lieutenant-Governor should appoint a Finance Committee ' for the purpose of discussing the Draft Financial Statement and making proposals with reference thereto for the consideration of the Local Government,' Rule 6 dealing with the consideration of ' Unallotted Expenditure ' and Rule 8 which provided that the Finance Committee should make a report ' indicating the changes which it recommends in the Draft Financial Statement.' From these rules I draw the conclusion that the Finance Committee can consider all the items of the Budget Estimates, otherwise the function of the Finance Committee will be more or less formal, inasmuch as the amount of the Unallotted Expenditure, which is determined by the Local Government, might be very small and the Committee might have a very limited field for making suggestions."

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The Hon'ble MR. MACLAGAN said that it was understood that the functions of the Finance Committee were limited to the distribution of the unallotted expenditure.

His Honour the PRESIDENT said :— " The matter is complicated, and it is one in which we cannot work independently of the Government of India, and we have to find out what the view of that Government is. If the Hon'ble Member had put a definite question on the subject, after due notice, a reply could have been given at once."

The Hon'ble MR. DOUIE said :—" My task to-day is to supplement the information given in the revised Financial Statement by such explanations as seem needful for a proper understanding of the figures relating to the heads of receipt and expenditure of which I am in charge. The chief heads with which I have to deal are Land Revenue and Excise,

#### LAND REVENUE.

" The land revenue of the Punjab now amounts to some 270 lakhs. That excludes 34 lakhs classed as canal owners' rates and land revenue due to canal irrigation, and therefore included in a part of the budget which my Hon'ble friend, Mr. GORDON, will explain to you. I may mention in passing that, if you will add these two sums together and compare them with the cultivated area of the province, you will find that the assessment works out to seventeen annas an acre, or little more than the wages a labourer can now earn in some parts of the Punjab by a single day's work. The Provincial Government is entitled to  $\frac{2}{3}$ ths of the land revenue receipts, but in addition we receive through the Land Revenue head a number of lump sum grants for various objects. For example, when the patwari cess was abolished a few years ago the Government of India compensated in this way the Local Government for the loss that it suffered. That is why the figure shown under Land Revenue in our budget far exceeds the fractional share I have mentioned. A normal land revenue budget in the Punjab would amount to 163 $\frac{1}{4}$  lakhs, made up of 101 $\frac{1}{4}$  lakhs representing our  $\frac{2}{3}$ ths share and 62 lakhs representing grants paid through the Land Revenue head. That is not far short of half the total provincial revenues.

" At the opening of the financial year which is now drawing to a close, the Punjab was in the unhappy position of having outstanding arrears of revenue amounting to 51 lakhs. As you all know in recent years, we have suffered from an unusual number of bad harvests. Plague began to be an alarming factor in the agricultural situation in 1902, and it reached its acme of virulence in 1907-08. At last in the summer of 1908-09 the tide turned. The seasons became normal and plague abated. For the first time for many years the Punjab has now reaped in succession two fair harvests and one fine one, and is blessed with the prospect of a bumper crop in the rabi now in the ground. To-day we are chiefly concerned with the effect on the actual revenues of the current, and the probable revenues of the coming, year of the return of fruitful seasons. In the three agricultural years ending with 1907-08 nearly 61 lakhs of revenue were suspended. In the same period 12 lakhs were remitted, while collections of arrears amounted to less than 11 lakhs. The result, as I have already stated, was an outstanding balance amounting to 51 lakhs in the spring of 1909.

" The harvest was satisfactory and the arrears were reduced to 38 $\frac{1}{2}$  lakhs, of which 4 $\frac{1}{2}$  lakhs have been finally remitted and 15 lakhs have been, or will be, collected with the kharif instalment. The revised estimate of the current year is 289 $\frac{3}{4}$  lakhs, of which the provincial share is 169 $\frac{3}{4}$  lakhs. We have collected much more arrears this year than the total balance now remaining.

" We shall start the new year with outstanding balances estimated to amount to 18 or 19 lakhs. There is a great harvest in the ground, and, if the promise of good things is not marred by some unlooked-for disaster, some 10

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or 12 lakhs should be collected with the rabi instalment. The budget estimate for 1910-11 under the Land Revenue head is roundly 280½ lakhs, including 12 lakhs on account of arrears to be collected. The realization of our estimate depends to a large extent on our ability to collect the revenue of the year nearly in full. As regards the rabi demand, which is about 50 per cent. of the whole, there is no cause for fear. We should be able to get in practically the whole of the fixed land revenue, and the collections of fluctuating land revenue will, I have good reason to hope, be well above the normal. Fluctuating assessments now cover a large area in the Punjab, and the budget estimate of 55 lakhs was based on the assumption that collections would be rather less than in 1909-10. For that year the budget estimate was 51½ lakhs and the revised estimate 55½ lakhs. So far as fluctuating land revenue is concerned the rabi is the more important harvest, and we may hope that, the estimate for 1910-11, though it would seem to be a pretty full one, will be realized. The doubtful factor is the kharif of 1910. The most expert budget builder cannot forecast the results of a harvest yet unsown. In the insecure tracts of the Delhi division, where arrears are heaviest, the autumn harvest is all important. If there is no failure of the monsoon to upset our calculations, we ought to recover next year more arrears than we have anticipated in the budget. Another uncertain item is one of 20½ lakhs entered as the sale price of Government estates and town sites and as *nasrana*. In the Land Revenue budget luck must always be a factor, but I think the Council may well accept the figure of Rs. 1,64,58,000 put before it.

"On the expenditure side of the account you will find the large sum of 49½ lakhs under the head of Land Revenue. Expenditure under this head is wholly debited to provincial.

"It embraces as my Hon'ble friend, Mr. MACLAGAN, has explained to you the charges of district administration, the cost of keeping up the land records, and the expenditure on settlements. Under the first two heads I fear we can look for no reduction in the future. It would be a mistake to grudge expenditure on land records. It is large, but it ought to have the result of simplifying and shortening the special revision of records, which takes place at settlement, and so save at once the money of the State, and, what is more important, free the people from the harassment, which the presence in their midst of a large extra staff involves. That is a matter which is receiving, and will continue to receive, close attention. We hope in future to reduce the total duration of settlement operations, and greatly to curtail that part of the work which requires the keeping up of a large field establishment. I believe the average term for which settlements are sanctioned will be longer than in the past, when many districts included large areas of undeveloped land.

#### EXCISE.

"I now turn to the excise revenue, of which our share is one-half. Between 1903-04 and 1908-09 the growth of the income was rapid and continuous. The receipts in the latter year were 47½ lakhs. But the revised estimate for the current year shows a decline of over 3 lakhs. When the licenses for the vend of foreign and Indian spirits were sold last year the bids were affected by the fact that new rules were simultaneously being introduced, and bidders feared these might affect their profits. The present estimate of 50½ lakhs, of which our share is 25½ lakhs, shows a large advance, but this is justified by the actual results of the auction sales of licenses for the vend of country spirits recently completed. We have allowed for an increase of nearly one lakh in still-head duty. That does not imply much, if any, increase of consumption. The still-head duty on country spirits was raised from Rs. 4 to Rs. 5 per gallon with effect from 1st April 1909, and the income of the current year was affected by heavy issues towards the close of 1908-09 with the object of escaping the enhanced duty. It would not be wise in my opinion to assume that heavier taxa-

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tion will reduce consumption, for I fear that increased prosperity and increased drinking in the Punjab are not unlikely for some time to come to go hand in hand.

" The expenditure on excise, half of which falls on the province, is put at Rs. 1,61,000 which is more than double the revised estimate of the present year. Rupees 80,000 out of a lakh required for the reorganization of the department has been provided in next year's budget. The pressing need of employing a proper excise staff in this province was pointed out by the Excise Commission.

#### AGRICULTURE.

" There is one other head of expenditure to which I must call your attention. You will find a sum a little exceeding 7 lakhs put down under 'Scientific and other Minor Departments.' This is a growing head of expenditure, for it has risen by 3 lakhs in three years. But when I tell you that the chief items are—

the Agricultural Department, including the new Agricultural College at Lyallpur,

veterinary and stallion charges, public gardens, and

a very modest expenditure on the development of co-operative village banking,

I do not think any Member of this Council will grudge money spent on objects so vital to the well-being of a province whose chief trade will always be agriculture and in which the ownership of the soil is in the hands of two million small peasant farmers.

" I ask permission, therefore, to lay before the Council the figures for the budget of 1910-11 under the following heads of income and expenditure :—

I and 3—Land Revenue.

IV and 6—Stamps.

V and 7—Excise.

10—Assessed Taxes.

XXI and 26—Scientific and other Minor Departments."

The Hon'ble Mr. SHADI LAL asked for an explanation of the increase in Land Records charges from Rs. 2,75,000 to Rs. 1,68,000.

The Hon'ble Mr. DOUIE explained that the charge was due to the abolition of the Patwar Cess and the extra charge on the Province being met by an Imperial grant of 15½ lakhs from the Government of India.

The Hon'ble Mr. TOLLINTON said :—" I shall endeavour to explain to the Council the important variations in our budget for 1910-11 as compared with the current year's figures in the various departments of which I am personally Member in charge :—

#### FORESTS.

" I shall commence with the Forest Department which is a divided head. The totals which I shall give are the Provincial figures only, *vis.*, half of the whole. It will be observed that the anticipated income from the department during the ensuing year is still fortunately greater than the expenditure, the net profit accruing to Provincial revenues being 1,54,000. The net income has of recent years tended to decline. This is attributed in the main to a change of policy in the department whereby the departmental accumulation of stocks has given place to the practice of selling standing trees. This practice has not yet resulted in attracting a large market of wholesale purchasers, but it is anticipated that this end will eventually be attained. On the other hand, it has not been found possible to reduce



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establishments, though those establishments are now more occupied with forest conservancy and protection of floating stock than with exploitation. It must also be remembered that all capital expenditure is met from current revenues—no schemes have yet been formulated of sufficient importance to justify the taking up of loans. The attention of the department has been directed to the necessity of looking to its revenues, and the point will not be lost sight of. In the coming year it will be noted that several items of reproductive expenditure have been provided on the expenditure side of the budget. Turning to the budget figures, the anticipated income during 1910-11 is 5,82,000 as against a revised estimate for the current year of 5,11,000. This increase is mainly due to the following facts. The net revenue realized in the Hazara division which is under the department, but in another Province, is deducted from income and credited to the North-West Frontier Province Government, and in the last year this deduction was not made, so that in the current year a double deduction had to be made. Next year this will not be the case, only a deduction of one year's revenue being made. Further, the construction of a resin still and of a wire ropeway for slinging wood on the range behind Murree will further increase the revenues, which may also hope to benefit by the hurrying on of postponed sales. Turning to expenditure, the budget for 1910-11 is put at 4,28,000 as against a revised estimate of 3,54,000. The increase in the new budget as compared with the revised is mainly due to a lump provision of 70,000 for the resin works and wire ropeway, for which provision has been made on the recommendation of the Finance Sub-Committee. Both these are reproductive items of expenditure. There is also small additional expenditure in connection with the bringing of the establishment of Imperial officers up to date, increase in the number of forest rangers, and the deputation of students to the Forest College.

#### REGISTRATION.

"I now come to Registration. This small department of the administration will, it is anticipated, continue to bring in an aggregate income of nearly three times the amount which it costs in maintenance. The budget estimate of the income during 1910-11 has been finally settled at 3,44,000 as against a revised estimate of 3,34,000 for the current year. The small rise anticipated in the income for 1910-11 is based on the expectation that the prevailing favourable conditions will continue, and that an income which gradually rose from 2,59,000 in 1905-06 to 3,14,000 in 1908-09 will continue to maintain a proportionate rise. As against an anticipated increase in income of 10,000, there must be set an anticipated increase of 3,000 in the cost of maintaining the department. Under the orders of 1906 certain Sub-Registrars are entitled to receive by way of remuneration a percentage of the fees collected by them. Any increase in the anticipated income of the year must, therefore, be reflected on the debit side by a proportionate increase in this commission to Sub-Registrars. The department is maintained cheaply and efficiently without taxing the energies of the ordinary official, and at the same time providing remuneration and occupation for gentlemen who have the leisure and the inclination.

#### LAW AND JUSTICE—COURTS OF LAW.

"I now come to Courts of Law. The income of this department is made up principally of fees and fines. The revised estimate for 1909-10 has been taken at 3,90,000, which figure has also been adopted for 1910-11. It has not been thought advisable to budget higher, as the income from these sources from their nature must fluctuate. As regards expenditure, the budget estimate for the year 1910-11 has been taken at 39,98,000 as against a revised of 37,73,000. The increase of 2,25,000 of the new budget over the revised is partly accounted for by the creation of four new Divisional Judgeships including two listed posts and a rise in salaries consequent on a re-adjustment of grades. These alterations were brought into force from 1st October 1909, but as they will be in operation during the whole of 1910-11, an increase

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of 46,000 has been provided under this head. Similarly the Subordinate Judicial Service was reorganized with effect from 1st October 1909 as a step towards the eventual separation of the Judicial Service. Three posts of Extra Judicial Assistant Commissioner and 24 posts of Sub-Judge were created with effect from the 1st October last, together with their establishments, corresponding reductions being made in the number of Extra Assistant Commissioners and in the criminal establishments. As these changes will be in operation during the whole of 1910-11 as against 6 months only of the current year, an additional 1,90,000 has been provided under the head Civil and Sessions Courts, though it should be noted that in reality the expenditure is in the main a transfer from the head Land Revenue to that of Law and Justice or from Criminal to Civil Courts. It should be added that 5 new posts of Munsifs were created during the current year, which will slightly increase the expenditure under this head.

"The Chief Court shows an estimated saving of 21,000 as against the revised estimate owing to provision for the temporary sixth Judge being made for 6 months only in 1910-11 as compared with the whole of the current year. This is in consequence of the Bill to amend the Punjab Laws Act which will, it is hoped, be shortly introduced in this Council. The object of the Bill is to reduce the number of second appeals and to bring the Punjab into line with other Provinces, and it is hoped that a material decrease in the amount of work falling on the Court will thereby be secured.

#### LAW AND JUSTICE—JAILS.

"The estimate of income from this source for the ensuing year has been taken at 2,21,000 as against a revised for the current year of 2,20,000. The small increase is partly due to an anticipated rise in the proceeds of articles manufactured in jails, and partly due to the employment of convict labour in cutting the lower reaches of the Bari Doab Canal. The attention of Government has been directed of late towards the productive utilization of jail labour on Government works and Government requirements. The expenditure on the Jail Department has been estimated at 11,37,000 for 1910-11. The revised estimate for the current year is 10,99,000. Some reductions have been provided for in charges for moving prisoners and in hospital charges, but against these must be set a lump provision of 50,000 in the event of the reorganization of the subordinate establishment being sanctioned, so that the total budget for 1910-11 is 38,000 in excess of the revised estimate. It may be mentioned that the Inspector-General who originally came up with a scheme costing over a lakh has been asked to recast it, and should it eventually be sanctioned, it is not estimated to cost over 50,000.

#### POLICE.

"The budget estimate of the income under the head "Police" for 1910-11 is 5,76,000, being the same as the revised estimate for the current year. It has been considered advisable to follow the revised estimate in the next year's budget, the average actual income for the years 1906-07 to 1908-09 having been 5,80,000. Turning to expenditure, the figure finally adopted as the budget estimate for 1910-11 is 57,03,000. This is an increase of 4,29,000 on the revised estimate for the current year. Taking item by item this increase is mainly found under the head District Executive Force which accounts for an increase of 4,07,000. There has also been an increase of 50,000 in Railway Police. On the other hand, there is a saving in Superintendence of 19,000. These anticipated increases are due almost entirely to additions to the force. Police expenditure in this Province has greatly increased during the last five years as the statistics of actual expenditure show. Some explanation is therefore necessary to show how this has been brought about. The actual expenditure was in 1905-06, 42,88,000; in 1906-07, 46,81,000; in 1907-08, 52,34,000; in 1908-09, 55,05,000; while the revised estimate for 1909-10 is 52,74,000. The decrease in the current year is due to the grant of grain compensation.

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in 1908-09. But it will be seen that expenditure on Police shows a tendency to rise, and the question may fairly be asked whether this upward tendency is ever going to stop. It will be remembered that the Police Commission of 1902-03 was appointed to make proposals for the reorganization of the force, with a view to increasing efficiency and to making the service from the top to the bottom attractive to the right stamp of man. In accordance with the recommendations of this Commission proposals were formulated by this Government, and the Secretary of State finally sanctioned a scheme by which the personnel of the force, the sanctioned strength of which in 1905-06 cost 31,26,000 per annum, would on reorganization cost 45,22,000, or an increase of 13,96,000. At the same time it was estimated that contingent expenses which in 1904-05 were expected to amount to about 5,22,000 (though they actually only amounted to 4,90,000) would rise *pari passu* with expenditure on personnel to 7,72,000, or an increase of 2½ lakhs. The total annual recurring expenditure of the force, including contingencies, after the reorganization had been fully carried out, was estimated to be 52,94,000. To meet the estimated additional cost of 13,96,000 for personnel and 2,50,000 for contingencies, the Government of India have assigned 13 lakhs per annum outside the Provincial Settlement, holding that Provincial funds should not be entirely freed from the liability of meeting the additional expenditure in connection with the reorganization. As then the total estimated additional expenditure was only put at 52,94,000, it may naturally be asked why our estimate for 1910-11 amounts to 57,03,000, or nearly 4,09,000 in excess. For this there are two main reasons. In the first place, the reorganization was intended to meet the needs of the Province as it stood in 1904-05. It took no account of the extension of railways and the growth of trade and prosperity which has marked the Province since 1904-05. Hence it has come about that increases in railway and other police unconnected with the sanctioned reorganization scheme already reach almost two lakhs of rupees in addition to the scheme sanctioned in 1904-05. I have only to mention the Sargodha civil station, bar-kandaz guards, the Attock and Khushalgarh bridges, the Jech Doab, Ludhiana-Ferozepore-Macleod Gunj, Shahdara-Sangla, Amritsar-Patti, Lodhran-Khanewal, and Rewari-Delhi Railways, as well as personal and other guards, as justifying expenditure that could not be foreseen in 1904-05, and was quite beyond the anticipations of those responsible for the reorganization and indeed quite unconnected with it.

" But there is another reason why present expenditure should exceed the anticipations of 1904-05. As previously stated, the additional contingent expenditure consequent on the reorganization scheme was estimated at 2½ lakhs. It is now no less than 4,80,000. A great deal of this excess could not have been foreseen. It must be remembered that the clothing allowance has been raised at an additional cost of 80,000, house-rents are paid under the orders of the Government of India on behalf of subordinates when funds do not admit of the construction of residences for these officers at an additional cost of 58,000, and travelling allowance has been raised at an additional cost of 87,000, and only recently railways have increased their 1st and 2nd class fares by 50 per cent.

" Government will as heretofore continue to scrutinize applications made for increases in the force, but it must be borne in mind that such increases always receive the strongest support from Deputy Commissioners who are responsible for the check on crime, and Government is advised that the cost of the Police in the Province works out at three annas and ten pies per annum per head of population, as against five annas and ten pies in the North-West Frontier Province, five annas and one pie in Bombay, two annas and eight pies in the United Provinces, and three annas and six pies in the Central Provinces, which would not appear to be excessive in view of the independent and martial qualities of a large proportion of the inhabitants of the Punjab.

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## MEDICAL.

" The income under this head is a very petty item and calls for merely passing notice. The revised estimate is put at 46,000. It has now been decided to show the sales of quinine under a debt head, with the result that in the budget estimate for 1910-11 the estimated income has been taken at 38,000. The budget estimate of expenditure in the coming year has been placed at 17,67,000 as against a revised estimate of 14,00,000 for the current year. These figures show a considerable increase which will have to be carefully explained. The Government of India make a lump assignment of 4 lakhs a year to Provincial funds for sanitary purposes. Owing to the fact that the Province was somewhat behind hand in the preparation of a full programme of sanitary works, it was anticipated that only  $1\frac{1}{2}$  lakhs would be spent in the civil budget during the current year, while  $1\frac{1}{2}$  lakhs was entered in the Public Works Department budget as a lump grant to the Sanitary Board, to be distributed by them among municipalities and district boards in the furtherance of sanitary schemes. The sum thus made over to the Sanitary Board will, it is anticipated, be mainly distributed by the Board in the current year in small items, but the  $1\frac{1}{2}$  lakhs entered in the civil budget have not been so expended owing to the fact that though several large sanitary schemes are under preparation, they have not been sufficiently advanced to be actually put in hand in the current year. For the ensuing year it is anticipated that a greater part of the 4 lakhs will be expended on sanitary objects as originally intended. The  $1\frac{1}{2}$  lakhs will be made over to the Sanitary Board for distribution as was done in the current year. It has, however, been decided to show this  $1\frac{1}{2}$  lakhs in the civil budget instead of in the Public Works Department as in the current year. Besides this  $1\frac{1}{2}$  lakhs, there is also a scheme to purchase and drain the low-lying *dhab*s in Amritsar which are an undoubted source of unhealthiness in that city. Proceedings for acquisition are being commenced. For this 1 lakh of rupees is being provided. Provision is also being made for the drainage of the Delhi Bela, also a great source of malarial infection. This cannot cost much less than the acquisition of the Amritsar *dhab*s. Besides this, the pay of Health Officers has to be provided, so that at least  $3\frac{1}{2}$  lakhs out of the 4 lakhs granted by the Government of India will be required for the purposes mentioned. An additional 20,000 is also being inserted in the budget at the suggestion of the Finance Sub-Committee and will, it is intended, be expended on small grants made by the Inspector-General of Civil Hospitals to outlying hospitals and dispensaries which occasionally get less attention from local bodies than institutions at head-quarters. The balance of 30,000 have been assigned by the Finance Sub-Committee to the Minto Park, to be laid out near the Lahore Fort, which will be the lungs of Lahore city and perform very much the same function as the large Parks in London. On the civil budget for the coming year we have therefore a sum of 3,70,000 which, for the reasons explained, does not appear in the revised estimate of the current year and entirely accounts for the excess of 3,67,000 of the budget estimate of 1910-11 over the revised estimate for the current year.

" Having explained the main reason for this rise, it only remains for me to notice several minor differences. Hospitals and dispensaries will, it is anticipated, cost 20,000 less than in the current year. The difference is principally under the head Grants to Hospitals and Dispensaries, and when the grant to the Inspector-General of Civil Hospitals of 20,000, previously alluded to, is taken into account, the actual sum expended in grants to these institutions will remain constant, the only difference being that 20,000 is in this year to come out of the Sanitary grant. Expenses in connection with bubonic plague have been put at 4,35,000 as against a revised estimate of 3,95,000 for the current year. Indications are not wanting that plague will be more severe in the coming year than in 1909-10. The Medical College is to cost 10,000 more in the ensuing year. This is owing to the fact that the new Professors will be entertained for the whole year instead of for a part only of the current year. The cost of medical

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establishments (4,44,000) will be the same in 1910-11 as is shown in the revised estimate. The Lunatic Asylum will cost 10,000 less, as there are anticipated decreases in dietary and clothing charges, and larger recoveries, which are adjusted by reduction of expenditure in the maintenance of non-criminal lunatics, are anticipated from local and cantonment funds.

"I ask permission to lay before the Council the figures for the following heads of income and expenditure:—

IX and 11—Forests.

X and 12—Registration.

XVI A and 19 A—Law and Justice—Courts of Law.

XVI B and 19 B—Law and Justice—Jails.

XVII and 20—Police.

XX and 24—Medical."

The Hon'ble Lala SULTAN SINGH asked whether any progress had been made in relieving local bodies from the police charges.

His Honour the PRESIDENT replied that only the Lahore Municipality had been so relieved, but the others would be taken into consideration when the condition of the Provincial finances admitted of this.

The Hon'ble Mr. GODLEY said:—"Before attempting to explain any particular variations in the educational estimates for 1910-11 from the figures for 1909-10, I may perhaps be permitted, for the benefit of those Members of Council who are not conversant with the subject, to give a brief preliminary sketch of the functions which the Education Department in this Province performs, the method in which the funds allotted for education are administered, and the general distribution of expenditure under the various heads.

"Funds are devoted to three main purposes—(1) the control and inspection of educational institutions throughout the Province; (2) the direct maintenance of institutions for higher and technical education, and (3) the aiding of institutions under local or private management. The functions of the Department, however, do not end here; a large number of examinations are departmentally conducted, and the literature published in the Province is classified and reviewed by a branch of the Director's office.

"The estimate for 1910-11 under Direction and Inspection is Rs. 3,32,300 or about one-seventh of the total expenditure. Government employs an Inspector and two or three Assistants for each division, and a district inspecting staff of fifty-seven officers, who work under the orders of the District Boards, but are also responsible to the Department for the efficiency of the schools in their charge; and there is also an Inspector of European Schools.

"The largest item of educational expenditure is under the second heading, *vis.*, the direct maintenance of certain institutions, for which a sum of over ten lakhs, or nearly half the total expenditure, is budgeted. The institutions maintained by Government for general education are the Lahore Government College and the Government schools at the head-quarters of districts, which are intended to be models for imitation, although their buildings and equipment have hitherto left much to be desired. The technical and special institutions maintained are the training institutions for teachers, the Mayo School of Art, the Government School of Engineering, the Railway Technical School, the Lahore Continuation Classes and the Delhi Reformatory School. The Government College and twenty-nine Government High Schools for general education cost about seven lakhs, against which, however, should be reckoned receipts from

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fees (some two and-a-half lakhs) and from municipal contributions (half a lakh), so that the net cost to Government of these institutions is about four lakhs. Technical and special institutions cost over three lakhs, and bring in no fee income to speak of.

" The third mode in which money is spent from Provincial revenues on education is in aiding institutions managed by private associations and local bodies, and here the figures will not be understood without more detailed explanation. The duty of assisting private schools is primarily incumbent on local bodies, but also Government undertakes a considerable share. In the first place, many high schools situated in the larger towns, and all European schools, receive maintenance grants from Provincial funds. Fixed grants are also paid to certain colleges, to the Lahore Public Library, and to the Punjab Association. Secondly, Government makes building and equipment grants to schools under private management, on condition that half the cost is provided by the school authorities. These various grants-in-aid aggregate nearly four lakhs, of which it is proposed to allocate Rs. 75,000 to building grants, a variable and uncertain item. Grants are also made to local bodies for the maintenance of board schools. Thus a sum of Rs. 24,000 is paid in fixed grants for the maintenance of certain Municipal Secondary schools, which were formerly District schools supported by Government, and an allotment of Rs. 4,20,000 is made to District Boards for the establishment and up-keep of Primary schools. This grant, of which three lakhs are from Imperial and Rs. 1,20,000 from Provincial revenues, is not administered by the Department; it is distributed by the Commissioners of divisions, in consultation with the Inspectors of Schools, to the various districts according to their needs, of which the Commissioner is considered to be the best judge. Finally, a special grant of Rs. 27,000 for European schools, which is utilised in augmenting teachers' salaries, is made from Imperial funds and included in our budget; and a fixed grant and other payments, amounting to Rs. 27,400, are made from Provincial funds to the University. The University is also subsidised by special grants from Imperial revenues : the grant for 1910-11 is Rs. 30,000.

" In addition to the expenditure on these three principal objects, a provision of Rs. 75,000 is made for scholarships, and a sum of Rs. 28,300 is budgeted for 'Miscellaneous.' The latter head includes a grant of Rs. 2,500 for the encouragement of literature and a provision for the cost of conducting examinations, which is mostly covered by receipts from fees.

" Having tried to give the Council a general idea of the proportion in which expenditure on education from Provincial funds is distributed, I shall now proceed to refer to variations in detail. The budget estimate for 1910-11 is Rs. 23,72,000, or one and-a-half lakh in excess of what was spent in 1908-09, and still more in excess of the revised estimate for the current year. With regard to the latter estimate, I should explain that although I have no reason to question the correctness of the calculation by which the comparatively low figure of Rs. 22,16,000 was arrived at, I am afraid that certain additional charges which have recently been incurred are likely to raise the total expenditure above the estimate before the end of the current year; and in framing the estimate for 1910-11 the fact that during 1909-10 the provision for scholarships, stipends and grants has not been fully utilised, and that economy has been effected under salaries, cannot be safely adopted as a basis of calculation for the future. It need not be supposed, therefore, that a lakh and-a-half has really been added to the educational estimates, or that they are yearly increasing. The expenditure has, in fact, been virtually stationary during the last quinquennium, unavoidable new charges being met by corresponding economies. In the ensuing year, for instance, savings are anticipated under the head "Government Schools—General" owing to the boarding-houses attached to those schools being made more self-supporting, but the precise effect of this new measure has not as yet been worked out.

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"Under 'Direction' the amount provided shows a decrease, due to a reduction of establishment.

"The increase under 'Inspection' is chiefly due to the addition of five Assistant District Inspectors of Schools to the inspecting staff. This, however, has been effected without causing extra cost to Government, since it has been found possible to dispense with an equal number of posts in Normal Schools. Periodical increments of salaries and rent of an office for the Delhi Inspector account for the remaining difference.

"Under 'Government College' there is an increase due to the addition of a professorship and a new grant of Rs. 4,000 for science apparatus.

"The only new proposals under 'Government Schools—General' are a grant of Rs. 9,600 for the staff of the Victoria May Girls' School and a provision of Rs. 1,780 for winter allowances for the staff of the Simla Government School.

"No new proposals have been made under 'Government Schools—Special,' and only the existing charges have been budgeted for, except in the case of the Delhi Reformatory School, where the additional number of boys admitted has necessitated a small increase of expenditure.

"The provision for 'grants-in-aid,' namely, maintenance grants of all kinds, including the Government of India grant of Rs. 27,000 for European education, and building grants, shows an increase of Rs. 24,500 over the revised estimate for the current year. With the expansion of education and an increase of the number of pupils in aided schools an annual addition to the provision for maintenance grants is inevitable, and Rs. 5,000 more have been entered under this head. The remaining increase is under building grants, some of which have been pending for several years.

"Under 'Miscellaneous' a small increase has been made in the provision for conducting the Middle School and other examinations.

"I should add that an increase of Rs. 6,000 has been made in the amount provided for the travelling allowances of officers of the Department, on account of the recent enhancement of railway fares.

"These remarks will show that no new development necessitating a substantial increase of expenditure has been proposed for the ensuing year. Considerations of economy are paramount at present, and much as I should have liked to ask for a provision to raise the pay of teachers both in Government service and the employment of local boards, and to improve school accommodation throughout the Province, I am unfortunately precluded from doing so by the circumstances of the time.

"I ask permission, therefore, to lay before the Council the figures under the Education heads, No. XIX (Income) and No. 22 (Expenditure)."

The Hon'ble Mr. SHADI LAL asked whether it was not a fact that the budget provision for Education for 1910-11 was very much the same as in the current year's budget, and that no increase had been made under this head.

The Hon'ble Mr. GODLEY replied that the exact figures were not with him, but he thought the provision for the year 1910-11 was much the same as for the current year.

The Hon'ble Mr. SHADI LAL further asked why the grant from the Government of India to the Punjab University, which used to be Rs. 60,000 per annum, had been reduced to Rs. 30,000 for 1910-11.

The Hon'ble Mr. MACLAGAN explained that the grant of Rs. 60,000 had been a special grant for the year and was not a recurring grant. The Government of India were under no obligation to continue the whole or any part of it, but to assist the University they had this year made a grant of Rs. 30,000.

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The Hon'ble Mr. GORDON said:—"The budget heads committed to my charge are Nos. XXIX to XXXI on the receipt side and Nos. 42 to 45 on the expenditure side. They relate to works under both the Civil and the Public Works Departments.

## IRRIGATION.

"Taking first Irrigation Major Works, the bulk of the receipts are classed under Public Works. They consist mainly of the occupier's rate. Some 2 to 3 lakhs of miscellaneous revenue, such as mill rent, fines and sales of plantation produce, are also included under this head. These, besides being comparatively small in amount, are not liable to any serious fluctuations. The amount of occupiers' rates, on the other hand, varies with the area under irrigation, and this in its turn fluctuates with the demand for water and the state of supply in the river which limits our ability to meet the demand. This again will vary with the prices of produce, the supply of labour, the rainfall and many other factors. In a dry year the demand for water will be excessive, but unfortunately the supply in the river will then be less than usual. Nevertheless, a dry year usually means a larger area under irrigation and higher assessments. Thus the large receipts shown for 1906-07 are the results of an exceptionally dry rabi in 1905-06 followed by a dry kharif in 1906. The assessments of those two seasons form the basis of the collections or actual receipts of 1906-07, which it will be seen exceed those of the previous year by more than 10 lakhs. That we have not again fallen back to the figures of 1905-06 is due mainly to the extension of irrigation on the Lower Chenab and Lower Jhelum Canals.

"Our latest estimate puts the receipts for the current year at 66.45 lakhs. The figures are the result of the rabi area of 1908-09, which was well above the average, and of the kharif area of 1909, which, owing to favourable rainfall, was below the average. In cotton, compared with the previous year, there was a falling-off of about 30 per cent., owing partly to low supplies in the rivers in the early kharif season and partly to the poor outturn of the crop of the previous year. On the whole, however, the estimated receipts for the year are somewhat above the normal, which may now be put at 66 lakhs.

"Our receipts for the financial year 1910-11 will be the outcome of assessments during the current rabi and next kharif. When our assessments were framed two months ago it was anticipated that, owing to favourable rainfall in September, and again in December and January, and to the excellent condition of the rain-grown crops, the rabi area would be smaller than usual. Assuming then that the coming kharif would be a normal one, we budgeted for a total provincial receipt of 65½ lakhs, or somewhat less than the normal of 66 lakhs. Subsequent information leads me to think that it would have been quite safe to budget for at least the normal figure. The prospects of the rabi crop, both irrigated and unirrigated, are everywhere said to be excellent. But rain, of which there has been practically none since the middle of January, is now urgently required to fill the ears of the unirrigated wheat crop. The demand for canal water has suddenly become very intense. Unfortunately on some canals the available supply of water is not more than will suffice for the crop already irrigated. Remissions on account of damaged crops are expected to be very much smaller than usual. As to next kharif, we rely, as I have said, upon securing a normal area, but under cotton at least we should, with ordinary luck as regards supply, secure a large increase, the prices paid for cotton being now abnormally high.

"On the expenditure side the amounts shown under 'Civil' represent ½ths of the annual interest on the capital cost of all major irrigation works, not, be it noted, only works already in operation, but also works under construction which will not yield a return for some years to come and on



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which the annual expenditure now exceeds a crore of rupees. The departmental amounts represent  $\frac{3}{8}$ ths of the annual cost of maintaining the canals, of measuring and assessing the irrigated areas, and of carrying out such improvements as it is not desirable to charge against capital. The high figure for 1909-10 is due chiefly to special repairs and remodelling works on the Lower Chenab Canal carried out with the object of ensuring better supplies at the tails of distributary channels, and to works required to repair the heavy damage done by the Indus floods to the canals in Dera Ghazi Khan district. The area irrigated by the Lower Chenab Canal during the current rabi will, it is hoped, reach the high figure of  $1\frac{1}{2}$  million acres, an area nearly equal to that of all the other major canals in the province put together, and exceeding by 120,000 acres, the previous maximum for the canal. This satisfactory result is due mainly to the energy with which special works of repair and improvement have been pushed on by the Superintending Engineer and his staff. Now that these works have been completed, and the extensive damage done by the Indus has been repaired, the expenditure should go down to its normal figure.

" Minor works do not call for any special remark. They include the Shahpur, Ravi and Mianwali Inundation Canals and the Gurgaon bunds.

#### CIVIL WORKS.

" From information furnished by the Chief Engineer, Buildings and Roads Branch, I gather that the more important civil works on which expenditure is proposed for next financial year are the improvement of central jails, a new Engineering School at Rasul, the construction of roads, the Simla Improvement Scheme, and the improvement of towns in the Jhelum and Chenab Colonies. The exact amount that will be available for new works will not be known until the end of March, for the amount will depend upon the sum that will then be required to complete works remaining unfinished at the end of the financial year. It is however proposed provisionally to spend one lakh on providing additional accommodation at central jails in order to reduce as far as possible the district jail to the status of a mere lock-up, with the double object of reducing expenses and of utilizing prison labour more effectively.

" As stated by Your Honour in your address on the opening of the recent Industrial and Agricultural Exhibition at Lahore, the object of the Engineering School at Rasul is to provide for the training of Sub-Overseers, drivers, fitters, and mechanical and mining engineers, and later on to add a College Department for the training of young men for the higher branches of the profession, and to make the Punjab Government, which employs more engineers than any other province, independent of outside colleges. The initial expenditure on the buildings will be about 4 lakhs and the recurring annual outlay about Rs. 36,000 for staff, water-supply, maintenance, etc. The Rs. 40,000 to be set apart for next year is intended for the purchase and laying out of a site and the collection of materials for making a start on construction.

" A large number of new feeder roads to railways have been constructed and metalled during the past four years for the development and benefit of various districts. Three lakhs a year of the expenditure was met from provincial funds, and 3 lakhs a year from the Imperial grant of  $\epsilon\frac{1}{2}$  lakhs. These feeder roads will be handed over to the District Boards concerned with effect from 1st April 1910 for future maintenance from their own funds supplemented by the above grant. Roads or sections of roads now in hand will be completed from Provincial funds and one lakh is provided in the budget for this purpose.

" Five lakhs are provided for the Simla Improvement Scheme. This is a portion of the assignment of 20 lakhs made in 1904-05 by the Government of India and is intended mainly for the Hydro-Electric Project which will cost about 14 lakhs. The project provides for the transmission of

[ *Mr. Gordon; President.* ]

[ 12TH MARCH 1910. ]

electric power from the Sutlej for lighting and water-supply. The other works, mainly roads, will have been practically completed by the end of March. Work on the Hydro-Electric Project is now well in hand and will probably be completed during 1911-12.

"Moneys derived from sales of sites in the various towns of the Canal Colonies have been devoted for some years past to the improvement of those towns. The amount available for expenditure on works to be carried out by the agency of this Department during the ensuing year is 2 lakhs.

"I ask permission to lay before the Council the figures for the following heads of income and expenditure:—

XXIX and 42—Irrigation Major Works.

XXX and 43—Irrigation Minor Works and Navigation.

XXXI and 45—Civil Works."

His Honour the PRESIDENT said:—"That concludes the committee stage of the budget, and the next step in procedure is the presentation of the budget to Council, for which a separate date is required. I accordingly adjourn the Council until Wednesday the 6th April."

LAHORE:

*The 12th March 1910.*

S. W. GRACEY,

*Secretary, Legislative Council.*

## APPENDIX I.

Memo. by the Finance Member of the Punjab Legislative Council explaining the general financial situation of the Province in the current and ensuing years, together with memoranda explaining the estimates of revenue and expenditure under the various major heads.

1. The Statement\* appended to this memo. gives an abstract, by Major

Distribution between Imperial and Provincial.

Heads, of Provincial income and expenditure from the 1st of April 1905, the date from which the *quasi*-permanent 'settlement' with the Government of India came into effect. Under this 'settlement' the Provincial Government has  $\frac{2}{3}$ ths of the income under Land Revenue and Irrigation (Major Works) and a half of the income and expenditure under Stamps, Excise, Assessed Taxes and Forests. Of the Departmental expenditure under Irrigation (Major Works)  $\frac{2}{3}$ ths are Provincial, but the Government of India guarantee a minimum net revenue of 30 $\frac{1}{2}$  lakhs. The other items shown in the statement are practically entirely Provincial both as regards income and expenditure. In cases where assignments are made by the Government of India to Provincial revenues or contributions are made by the Provincial Government to Imperial revenues outside the above-mentioned division of revenue and expenditure, the necessary additions or deductions are made under the head "Land Revenue," and the chief of these have been shown in appendix 'A.' The statement itself shows the Provincial shares only of revenue and expenditure, after deducting the portion due to the Imperial accounts. The actual income from Stamps, for instance, in 1905-06 was 39'20 lakhs, but, as the Provincial share is a moiety, the amount entered in the statement is 19'60 lakhs.

2. An abstract of the Provincial section of the revised estimates for

Balances.

1909-10 and the budget estimates for 1910-11 is given below (the figures here and throughout the memorandum are in thousands of rupees except where otherwise stated) :—

		<i>Revised Estimate,</i> 1909-10.	<i>Budget Estimate,</i> 1910-11.
Opening balance ...	...	14,74	25,27
Receipts ...	...	3,52,75	3,49,82
Expenditure ...	...	3,42,22	3,61,34
Closing balance ...	...	25,27	13,75

The receipts for the current year have been considerably above the average of recent years owing to the excellence of the harvests, which has facilitated the recovery of arrears of suspended land revenue; and the good promise of the present harvest justifies the expectation of the continuance of these conditions for a part, at any rate, of the next year, but the receipts from land revenue and irrigation for 1910-11 have been estimated at a lower figure than that adopted for the current year. The expenditure of the Province necessarily grows year by year, and a further increase is contemplated for 1910-11. The increase, which is spread over several Departments, being most marked in the Police and Civil Works, is expected to reduce the balance in hand to a figure lower than that of the balance (14,74) with which the Province started in 1909-10. In March 1909 however the unexpended portion of the grant made by the Government of India for the improvement of Simla amounted to 13 $\frac{1}{2}$  lakhs, so that in reality the opening balance of 1909-10 was 9 lakhs below the 10 lakhs which is prescribed as the minimum for this Province. The balance now contemplated for March 1911, on the other hand, provides (with something over) both for the minimum of 10 lakhs and for the amount expected to be then outstanding from the Simla grant, *viz.* 3'56 lakhs. As mentioned later, there are possibilities of improved income which it has not been possible to take into account in the estimates. This Government had indeed contemplated closing the year 1910-11 with a

\* *Id.*, the Amended Draft Financial Statement, not printed.

smaller balance, but the Finance Committee of the Council which considered in January last the distribution of an unallotted item of  $3\frac{1}{2}$  lakhs decided to leave one lakh unappropriated, thus adding one lakh to the figure which would otherwise have stood as the balance.

3. The increase anticipated in the income of the current year occurs, as above noted, mainly under the head of Land Revenue, and the following figures indicate the chief sources comprehended in land revenue:—

	Actuals, 1908-09.	Revised Estimate, 1909-10.	Budget Estimate, 1910-11.
Fixed ordinary revenue ...	1,87,92	2,30,39	2,20,00
Fluctuating ordinary revenue ..	43,04	55,92	55,00
Sale of Government estates and waste lands ...	5,45	19,77	20,20
Other heads ...	9,38	10,05	9,70
Total land revenue ...	2,45,79	3,16,13	3,04,90
Provincial share, including ad- justments ...	1,45,23	1,69,58	1,67,14

The harvests of the financial year 1909-10 were as a whole excellent, and one at least of the harvests for 1910-11 is expected to be of the same character, and, following as they do a succession of bad seasons, these harvests have rendered the collection of a considerable amount of arrears possible. The suspended revenue outstanding at the beginning of 1909-10 was 56 lakhs, of which 20 lakhs will probably be collected or remitted before the end of the year, leaving 26 lakhs, of which at least 12 lakhs are likely to be collected in the ensuing year. The increase in ordinary land revenue, as the figures above quoted show, has been accompanied by a considerable increase in the revenue from the sale of Government estates, that is to say, speaking generally, from the sale of lands leased to yeoman and capitalist grantees on the Chenab Canal, who have bought the proprietary rights in their lands after fulfilment of the necessary conditions. It is possible that the increases under this head in the following year may be even larger than is anticipated in the Budget.

4. The estimates for both the years under consideration forecast a normal increase of income under the other expanding heads also, *viz.*, Stamps, Excise, Assessed Taxes and Registration. The fluctuations in the income from most of the other heads are too small to call for special notice, except in the case of Forests, Interest, Education and Irrigation (Major Works).

(a) The increase anticipated in Forest income is Rs. 1,41,000, of which the Provincial share is half. About half a lakh of the gross increase is due to the payment in 1909-10 of the revenue due to the North-West Frontier Province for the Hazara Division for 1908-09 as well as for 1909-10. The rest of the increase is partly the result of the postponement to 1910-11 of certain sales which were expected to take place this year and partly to anticipated income from new experiments, the outlay on which has been provided for on the expenditure side,

(b) The falling off of Rs. 68,000 in the Educational income for 1910-11 is nominal, and is due chiefly to the fact that the figures for 1909-10 include a sum of over a lakh of rupees paid by the Aitchison College as arrears of the annual contribution due from that institution, whereas the figures for 1910-11 include only Rs. 28,000, the prescribed annual contribution.

(c) The falling off of Rs. 47,000 under the head Interest is due mainly to the fact that the good harvests of the current year are expected to result in repayment during the current year of considerable arrears of loans to agriculturists and in a smaller need of fresh loans in the ensuing year.

(d) The revenue due to Major Irrigation Works is shown in two places in the Budget, the income from occupiers' rates and 'land revenue due to irrigation' being entered as a Public Works Department credit and that from owners' rates as a Civil income.

The recent variations are—

	Revised Estimate, 1909-10.	Budget Estimate, 1910-11.
Owners' rates ...	15,19	9,75
Land revenue due to irrigation ..	26,50	24,50
Occupiers' rates ...	1,70.37	1,67,92
Miscellaneous ...	6,83	6,08
Total ...	2,18,89	2,08,25
Provincial share ...	82,09	78,10

The above figures for owners' rates in 1910-11 omit a sum of 6.84 lakhs representing the owners' rates on the Western Jumna Canal. This sum was omitted by oversight, as it is proposed to amalgamate the owners' and occupiers' rates on that canal, but the amalgamation has not yet taken place and the sum will be restored in the next edition of the Budget. Meantime the Provincial balance is not affected as the Province is, as above noticed, guaranteed a minimum net income under the Departmental head of Major Irrigation Works.

5. Dealing now with the expenditure, it will be seen that a total increase

from 342 lakhs to 361 lakhs has been proposed, and that this is spread over a considerable number of heads. The most marked increases are accounted for below :—

Under the head *Land Revenue*, where an increase of Rs. 96,000 is contemplated, there are four kinds of expenditure in respect of which the following are the main figures required :—

	Actuals, 1908-09.	Revised Estimate, 1909-10.	Budget Estimate, 1910-11.
District Administration ...	21,85	21,02	21,97
Survey and Settlement ...	10,13	10,72	10,42
Land Records ...	17,69	16,59	16,89
Other heads ...	8	6	7
Total ...	49,75	48,39	49,35

The large increase in District Administration charges occurs partly under travelling allowances due to an enhancement by railways of the first and second class fares and partly to a proposed improvement in the position of Extra Assistant Commissioners in the executive line. The decrease under Survey and Settlement is due to the fact that two settlements have practically been completed and two will be completed very shortly, while the estimate provides for two new settlements only, one commencing in April and one in October next, and partly to the transfer to the Land Records Budget of the cost of Canal Colonies' Patwaris. The increase shown under 'Land Records' is partly nominal owing to the transfer alluded to above.

In consequence of the recommendations of the Excise Commission a considerable increase under *Excise* will be made in the preventive staff, with a view to an efficient check on illicit distillation of spirits. The ultimate annual cost of this measure is assessed at a lakh, and Rs. 80,000 has been provided for in the Excise Budget for next year, of which Rs. 40,000 is met from Provincial funds.

The *Forest* Department being a quasi-commercial concern, it is best to consider the income and expenditure together :—

	Revised Estimate, 1909-10.	Budget Estimate, 1910-11.
Income (Provincial)...	5,11	5,82
Expenditure (Provincial)	3,54	4,28
Net income (Provincial)	1,57	1,54

A large amount of the new expenditure contemplated is in connection with the development of resin manufacture and of new methods of working forest produce, and a good proportion of this expenditure will bring in a return in the first year of working and has been duly provided for in the Income Budget.

There is an increase of over half a lakh in the cost of *General Administration*. This is partly due to savings in 1909-10 in the salaries and offices of Commissioners due to fortuitous causes which are not likely to recur, and partly to the provision of Rs. 20,000 to meet the proposed addition of a third Secretary in the Civil Secretariat.

Under *Law and Justice—Courts of Law* an increase of more than two lakhs is contemplated, which is due almost entirely to the reorganization of the Judicial Service recently sanctioned by the Secretary of State. Under *Law and Justice—Jails* provision has been made for an increase of Rs. 38,000, in consequence of a scheme which has been mooted, but not yet sanctioned, for improving the status of warders.

An increase of nearly  $4\frac{1}{2}$  lakhs is expected in *Police* expenditure in pursuance of the reforms advocated by the Police Commission of 1903. There has been a fairly continuous increase under this head for the past 5 years, and the maximum contemplated by the reforms has now been nearly reached. The ultimate additional cost of the measures when perfected is estimated to come to some 20 lakhs per annum towards which the Imperial Government has contributed 13 lakhs per annum by special assignments, leaving about 7 lakhs to be financed from the growing income assigned to Provincial uses.

The *Educational* expenditure also is expected to increase by 1.56 lakhs, although the subsidy of Rs. 60,000, which was granted in the last year to the University from a special assignment from the Government of India up to that year, is no longer provided for. The increase is due partly to expected savings in the current year, partly to a contemplated increase of outlay on the Government College at Lahore, on the Reformatory School at Delhi, and on maintenance and building grants generally, and partly to grant of Rs. 30,000, made by the Imperial Government in aid of University and Collegiate education.

The *Medical* expenditure shows an increase of nearly  $3\frac{1}{2}$  lakhs, which is distributed as follows:—

	Revised Estimate, 1909-10.	Budget Estimate, 1910-11.	Variation.
Medical Establishment, Hospitals and Dispensaries... ..	6.06	5.98	—8
Sanitation and Vaccination ... ..	1.02	4.59	+3.57
Plague grants ... ..	4.33	4.35	+2
Other expenditure ... ..	2.59	2.75	+16
Total ... ..	14.00	17.67	+3.67

The Government of India has since 1908-09 made an annual assignment of 4 lakhs for the improvement of sanitation, but it has not been found possible to work up to this sum at once. A sum of 3.02 lakhs was originally provided in 1909-10 for expenditure from this grant, out of which  $1\frac{1}{2}$  lakhs was given to the Sanitary Board through the Public Works Budget, as it was to be expended mainly on sanitary works undertaken through Public Works agency, while the remainder had to be re-appropriated for other objects of an inevitable or urgent character. For the ensuing year  $3\frac{1}{2}$  lakhs, which includes  $1\frac{1}{2}$  lakhs placed at the disposal of the Sanitary Board, have been provided for in the Medical Budget.

The expenditure under the head *Scientific and other Minor Departments* which relates chiefly to Agricultural and Veterinary operations, was abnormally large in 1909-10 owing to the grant of 1 lakh made in aid of the Lahore Exhibition. The Estimate for 1910-11, therefore, while providing for a nominal decrease

of Rs. 26,000, really involves an increase of some Rs. 74,000 in normal expenditure. This is due mainly to a continued increase in the number of Veterinary Assistants and to improvements at Shahdara and Shalamar.

The civil portion of the expenditure under *Irrigation* (Major Works) represents the interest on the money borrowed for such works, and the figures are based on calculations made in the Accounts Offices. The Public Works expenditure under this head, which represents the working expenses of running canals, shows a decrease of over 2 lakhs, which is due mainly to the fact that unusual expenditure was incurred in the current year on the maintenance and repairs of the Indus Inundation Canals.

The expenditure under *Civil Works*, so far as this is shown under the Civil head, shows a decrease as regards contributions to local bodies (8,40 to 6,74) and an increase as regards other items (2,55 to 3,17). The decrease in contributions under this head is due to the closing of the account regarding the construction of feeder roads, to which allusion is made below. In Civil Works under the Public Works Department an increase of over 6½ lakhs is expected as shown by the following details:—

				Revised Estimate,	Budget Estimate,
				1909-10.	1910-11.
				—	—
Original Works—					
Civil Buildings	...	...		10,20	12,45
Communications	...	...		Nil	2,50
Miscellaneous Public Improve-					
ments	...	...		8,30	7,70
				—	—
Total	...	...		18,50	22,65
Repairs	...	...		14,00	16,00
Establishment	...	...		8,50	8,50
Other items	...	...		84	1,30
				—	—
Total	...	...		41,84	48,45
				—	—

The expenditure during the current year on Original Civil Buildings was mainly confined to works already in progress, and a number of important works which were held over for want of funds will be undertaken in 1910-11, including probably several much needed revenue buildings, improved water-supply to jails, several police stations, improvements to the Lahore Government College and the Jullundur High School, a Vaccine Institute at Kasauli and a number of agricultural and veterinary requirements. Special sums have also been set aside for proposed expenditure on the Engineering School, on the maintenance or transfer of the Dera Ghazi Khan station, and on works in the Canal Colonies. There was no expenditure debited to the Public Works Department for 'Communications' in the current year owing to the necessity of 'writing back' in the accounts certain expenditure under this head which had been wrongly debited to Public Works instead of to District Boards in previous years: and the expenditure of 2½ lakhs estimated for 1910-11 includes both the normal expenditure on communications constructed by Government and a sum of one lakh set aside for the completion of a programme of 'feeder roads' which have been constructed during the past four years by the joint resources of Government and

District Boards. It is considered good economy to expend a larger sum next year under the head of Repairs which have been considerably restricted in the current year, and an increased outlay has been incurred in ordering stock for the Shershah Depôt which will swell the expenditure under 'Other items.'

6. The figures given for income under Stamps and Excise include

New taxation.

Rs. 34,000 and Rs. 52,000, respectively,

which are due to the changes in taxation

recently proposed by the Government of India, but as it is intended to appropriate this increase for Imperial uses, a corresponding contribution of Rs. 86,000 from Provincial funds has been provided, as shown in Appendix A.



## APPENDIX II.

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### REVISED FINANCIAL STATEMENT, 1910-11.

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*Memorandum.*—The enclosed statement for 1910-11 differs from that already supplied to Members in two respects,—(i) the estimate under V—Excise has been raised from 23.52 to 25.77 on the ground mainly of the results of the recent auctions of licenses for the sale of country liquor; (ii) the estimate under XXIX—Irrigation—Major Works—Civil has been raised from 12,85 to 15,41 to correct the omission (noted in the previous memorandum) of the owners' rates on the Western Jumna Canal. The reduction consequently entailed in the guaranteed net Irrigation income appears in the Assignment Account,—Appendix A,—and under I—Land Revenue.

Budget heads.	Actuals, 1905-06.	Actuals, 1906-07.	Actuals, 1907-08.	Actuals, 1908-09.	Revised Estimate, 1909-10.	Budget Estimate, 1910-11.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Opening Balance — — —	79.04	60.68*	54.06	59.98	14.74	25.27
<b>PROVINCIAL REVENUE AND RECEIPTS.</b>						
<i>Civil Heads.</i>						
<b>I—Land Revenue—</b>						
(a) Ordinary Land Revenue — — —	53.28	94.30	77.04	77.27	97.43	93.04
(b) Sale of Government estates and waste lands.	3.29	3.57	2.54	2.04	7.44	7.57
(c) Other items — — —	5.50	4.02	3.72	3.52	3.77	3.64
Total Land Revenue after adjust- ments (Appendix A) — — —	1,18.71	1,47.54	1,41.64	1,45.23	1,69.58	1,64.88
IV—Stamps — — —	10.60	20.24	21.40	23.41	24.75	27.00
V—Excise — — —	17.83	19.95	21.68	23.80	22.25	25.77
VI—Provincial Rates — — —	5.90	94	41	37	33	25
VIII—Assessed Taxes — — —	6.19	6.65	6.85	7.08	7.50	7.00
IX—Forest .. — — —	8.91	8.03	7.29	6.44	5.11	5.82
X—Registration — — —	2.59	2.73	2.77	3.14	3.34	3.44
XII—Interest — — —	2.79	3.05	2.85	2.85	3.48	3.01
XVI A—Law and Justice—Courts of Law	3.44	3.64	3.35	4.02	3.90	3.00
XVI B—Law and Justice—Jails — — —	1.86	1.94	1.83	2.00	2.20	2.21
XVII—Police — — —	6.17	6.09	5.55	5.78	5.76	6.70
XIX—Education — — —	2.34	2.44	2.95	3.03	4.28	3.00
XX—Medical — — —	54	55	51	34	46	38
XXI—Scientific and other Minor Depart- ments.	47	63	76	1.02	1.09	1.13
XXII—Receipts in aid of Superannuation	52	61	65	62	87	72
XXIII—Stationery and Printing — — —	85	97	96	1.06	1.42	08
XXV—Miscellaneous — — —	2.31	2.05	1.64	6.75	7.65	7.80
XXIX—Irrigation—Major { Civil — — —	4.31	4.99	13.54	13.58	15.64	15.41
Works— { P. W. D. — — —	55.49	69.78	62.69	65.41	66.45	65.25
XXX—Irrigation—Minor { Civil — — —	—	1	—	—	1	7
Works and Navi- { P. W. D. — — —	47	55	45	39	52	50
gation— { P. W. D. — — —	47	55	45	39	52	50
XXXI—Civil Works— { Civil — — —	2.31	2.43	2.34	5.08	4.91	5.16
{ P. W. D. — — —	92	1.21	1.17	1.23	1.25	1.25
Total Provincial Revenue and Receipts — — —	2,67.42	3,07.94	3,02.69	3,23.93	3,52.75	3,52.07
Contributions — — —	5.66	4.90	6.53	53	—	—
<b>GRAND TOTAL — — —</b>	<b>3,53.02</b>	<b>3,72.62</b>	<b>3,63.28</b>	<b>3,63.54</b>	<b>3,67.47</b>	<b>3,77.34</b>

\* Differs from the closing balance on 31st March 1906 on account of the transfer to Provincial of Rs. 3,25,000 on account of the unexpended balance of the special Imperial grant-in-aid for

the Revised financial statement for 1910-11 (omitting thousands).

Budget heads.	Actuals, 1905-06.	Actuals, 1906-07.	Actuals, 1907-08.	Actuals, 1908-09.	Revised Estimate, 1909-10.	Budget Estimate, 1910-11.
EXPENDITURE.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>Civil Heads.</i>						
1—Refunds and Drawbacks ...	50	50	64	68	68	68
2—Assignments and Compensations ...	39	33	32	31	40	33
3—Land Revenue—						
(a) District Administration ...	20.41	20.60	21.29	21.85	21.02	21.67
(b) Survey and Settlement ...	9.18	10.38	10.77	10.13	10.72	10.42
(c) Land Records ...	2.75	16.07	15.09	17.09	16.59	16.89
(d) Other items ...	9	8	6	8	6	7
Total Land Revenue ...	32.43	47.13	48.11	49.25	48.39	48.35
6—Stamps ...	70	75	80	81	88	83
7—Excise ...	39	35	35	37	36	82
10—Assessed Taxes ...	5	5	5	6	5	5
11—Forest ...	6.32	5.72	5.88	4.26	3.54	4.28
12—Registration ...	97	1.10	1.11	1.18	1.17	1.20
13—Interest on Ordinary Debt ...	2.39	2.47	2.48	2.60	2.53	2.30
18—General Administration ...	11.16	10.40	10.74	10.59	10.60	11.16
19 A—Law and Justice—Courts of Law ...	36.65	38.59	37.24	37.49	37.73	30.08
19 B—Law and Justice—Jails ...	10.37	10.50	10.32	12.34	10.59	11.37
20—Police ...	42.88	46.81	52.34	55.05	52.74	57.03
22—Education ...	18.32	18.02	17.77	22.24	22.16	23.72
24—Medical ...	11.61	11.64	13.39	14.25	14.00	17.87
26—Scientific and other Minor Depart- ments.	3.01	4.07	4.00	5.67	7.31	7.08
29—Superannuation Allowances and Pen- sions.	14.52	14.74	15.44	15.65	16.55	17.10
30—Stationery and Printing ...	5.15	6.03	6.65	6.77	7.49	7.48
32—Miscellaneous ...	2.45	1.11	2.71	3.15	3.64	3.10
33—Famine Relief—						
{ Civil ...	5	25	...	...	...	...
{ P. W. D. ...	...	70	...	...	...	...
36—Reduction or Avoidance of Debt ...	...	...	1.40	1.40	1.40	1.40
42—Irrigation—Major Works—						
{ Civil ...	15.94	14.66	15.53	16.66	18.02	18.33
{ P. W. D. ...	25.37	24.85	25.49	25.66	27.99	25.78
43—Irrigation—Minor Works and Naviga- tion—						
{ Civil ...	4	9	15	35	22	34
{ P. W. D. ...	93	52	61	57	56	50
45—Civil Works—						
{ Civil ...	1.26	2.02	2.61	10.57	10.95	8.91
{ P. W. D. ...	51.78	48.02	43.30	39.67	41.84	48.45
Total Expenditure ...	293.63	311.42	319.43	338.80	342.22	361.34
Contributions ...	7.41	7.14	13.87	...	...	...
Closing Balance ...	51.68	54.06	29.98	14.74	25.27	16,00+
GRAND TOTAL ...	3,53.02	3,72.62	3,63.28	3,53.54	3,67.49	3,77.24

of the balance on 31st March 1906 at credit of the Patwar Fund.  
the Simla Improvement Scheme.

# Appendix A.

*Account of Assignments given to, and contributions recovered from the Provincial Government by, the Government of India which are adjusted through the Land Revenue head, under account rules (omitting thousands).*

	Actuals, 1903-05.	Actuals, 1903-07.	Actuals, 1907-08.	Actuals, 1908-09.	Revised, 1909-10.	Budget, 1910-11.	REMARKS
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Gross Land Revenue (including amount credited to Irrigation).	2,41,53	2,71,96	2,48,36	2,45,79	3,16,13	3,04,90	
<i>Deduct—</i>							
Portion of Land Revenue due to Irrigation.	...	...	— 23,81	— 24,90	— 26,51	— 24,50	
Total Land Revenue to be divided proportionately.	2,41,53	2,71,95	2,24,55	2,20,89	2,89,62	2,80,40	
Imperial share, five eighths ...	1,50,96	1,69,98	1,40,35	1,38,06	1,81,01	1,75,25	
Provincial share, three-eighths	90,57	1,01,98	84,20	82,83	1,08,61	1,05,15	
Fixed adjustment under the Provincial Settlement.	3,00	3,00	3,00	3,00	3,00	3,00	
Assignment to Provincial for Police reorganization.	5,00	7,50	13,00	13,00	13,00	13,00	
Assignment to Provincial for Primary Education.	3,00	3,00	3,00	3,00	3,00	3,00	
Assignment to Provincial for grants-in-aid to District Boards.	6,50	6,50	6,50	6,50	6,50	6,50	
Assignment to Provincial for Agriculture and Veterinary development.	2,50	2,50	2,50	2,50	2,50	2,50	
Contribution to Provincial to bring up the net revenue under irrigation to 28 lakhs.	5,02	...	4,78	3,74	4,86	4,66	*30½ since 1907-08.
Assignment to Provincial for loss on account of remission of Famine Cess.	...	6,50	6,50	6,50	6,50	6,50	
Assignment to Provincial for loss on account of the discontinuance of the contribution hitherto recovered by Provincial revenues from District Boards on account of district dak charges.	...	1,41	1,41	1,41	1,41	1,41	
Assignment to Provincial for loss on account of abolition of Patwari Cess.	...	15,64	15,64	15,64	15,64	15,64	
Assignment to Provincial in connection with the Famine Relief Scheme.	...	...	1,40	1,40	1,40	1,40	
Assignment to Provincial for Improvement of Sanitation.	...	...	...	4,00	4,00	4,00	
Assignment to Provincial to cover expenditure on the special bonus of one week's pay to permanent Government servants drawing not more than Rs. 50 per mensem.	...	...	...	1,08	...	...	
Other assignments of one lakh and under for other objects not detailed here.	3,12	2,27	3,91	4,83	3,37	2,88	
Total Assignments ...	28,14	48,32	61,64	66,60	65,18	64,19	
<i>Deduct—</i>							
Contribution from Provincial in consequence of the change in the method of calculating interest on debt.	...	— 2,76	— 2,76	— 2,76	— 2,76	— 2,76	
Contribution from Provincial on account of transfer of the Cantonment Magistrates' Department to the Military Estimates.	...	...	— 1,44	— 1,44	— 1,44	— 1,44	
Other Contributions ...	...	...	...	...	— 1	...	
Contribution on account of increased taxation under Stamps and Excise.	...	...	...	...	...	— 86	
Net amount of assignments and contributions from Imperial and Provincial.	28,14	45,56	57,44	62,40	60,97	59,43	
Total Provincial share ...	1,18,71	1,47,54	1,41,64	1,45,23	1,69,56	1,64,50	

PUNJAB GOVERNMENT.  
LEGISLATIVE DEPARTMENT.

*Abstract of Proceedings of the Council of the Lieutenant-Governor of the Punjab, assembled for the purposes of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 to 1909.*

THE Council met at the Council Chamber, Government House, Lahore, on Wednesday, the 6th April 1910, at 11 A.M.

PRESENT :

His Honour Sir. LOUIS WILLIAM DANE, K.C.I.E., C.S.I., I.C.S.,  
Lieutenant-Governor, *presiding*.

The Hon'ble Sardar SUNDAR SINGH, MAJITHIA, Sardar Bahadur.

The Hon'ble Mr. JOHN CORNWALLIS GODLEY, M.A.

The Hon'ble Malik MUBARAZ KHAN. /

The Hon'ble Mr. JAMES MCCRONE DOUIE, C.S.I., I.C.S.

The Hon'ble Mr. EDWARD DOUGLAS MACLAGAN, M.A., C.S.I.,  
I.C.S.

The Hon'ble Mr. ALEXANDER HENDERSON DIACK, C.V.O., I.C.S.

The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI. /

The Hon'ble Khan Bahadur Khwaja YUSAF SHAH. /

The Hon'ble Mr. HENRY PARSALL BURT, C.I.E.

The Hon'ble Sardar PARTAB SINGH, AHLUWALIA, C.S.I.

The Hon'ble Khwaja AHAD SHAH. /

The Hon'ble Rai Bahadur HARI CHAND.

The Hon'ble Rai Bahadur SHADI LAL, M.A., B.C.L., Barrister-at-Law.

The Hon'ble Nawab BAHRAM KHAN, MAZARI, C.I.E. /

The Hon'ble Khan Bahadur MUHAMMAD SHAFI, Barrister-at-Law.

The Hon'ble Mr. ARTHUR MILFORD KER, C.I.E.

The Hon'ble Lieutenant-Colonel HENRY SAMUEL PRICE DAVIES.

The Hon'ble Lala SULTAN SINGH.

The Hon'ble Colonel THOMAS ELLWOOD LINDSAY BATE.

The Hon'ble Mr. HENRY PHILLIPS TOLLINTON, B.A., I.C.S.

QUESTIONS AND ANSWERS.

The Hon'ble Khan Bahadur ADAMJI MAMOOJI withdrew the following question that stood in his name :— "Would the Government be pleased to let the public know as regards the existence of Muhammadan endowments designed chiefly for the public benefit in the Punjab—

(a) Statement of their number.

(b) Statement of general purposes and manner of their administration at the present time?"

1 The Hon'ble Khan Bahadur ADAMJI MAMOOJI asked:—"Would the Government kindly give due consideration to the general complaint made as to the stiffness of certain examination papers, and more especially the Arabic paper, set in the recent Matriculation Examination of the Punjab University and remove cause of the complaint for future?"

The Hon'ble Mr. GODLEY replied:—"University examinations are organized and controlled by the University authorities, and any complaints or suggestions regarding the appointment of examiners, the standard of examination papers, and similar details, should be addressed to the University."

"The question of instituting a school final examination, to be conducted jointly by the University and the Education Department, is now under consideration, and it is possible that the adoption of this scheme will lessen complaints as to inequality of standard."

2 The Hon'ble Mr. SHADI LAL asked:—" (a) Will the Government be pleased to state the reasons why the appointments of the Junior Secretary to the Financial Commissioner and one out of two Settlement Collectors which, *inter alia*, have been 'listed' as thrown open to the members of the Provincial Service are not held at present by the members of that service?"

" (b) Will the Government be pleased to state whether it is proposed to take early action to give the above-mentioned appointments to the members of the Provincial Civil Service?"

The Hon'ble Mr. MACLAGAN replied:—" (a) As stated in *Punjab Gazette* notification No. 1182, dated the 4th June 1908, Government has the right to fill the post of Junior Secretary to the Financial Commissioner from the Provincial Civil Service or from the Commission as may be most convenient; but a post equivalent in pay to that of Junior Secretary to Financial Commissioner has been added to the Provincial Civil Service and is now held by that service. The second 'listed' post of Settlement Collector is not at present filled up because in the only settlement started since the vacancy occurred no Provincial Service officer suitable for that particular settlement was available."

" (b) It is not proposed to appoint an officer of the Provincial Civil Service to the Junior Secretaryship to the Financial Commissioner in the near future. As regards the second listed post of Settlement Collector, it is not yet known what settlements will be commenced shortly, but it is hoped that a Settlement Collector from the Provincial Civil Service may be appointed during the course of this year. In the meantime the Provincial Civil Service will enjoy the benefit of the fact that the post of Superintendent, Census Operations, hitherto held by a Civilian has been given to the holder of a listed post of Deputy Commissioner, and a Provincial Civil Officer has been appointed to the listed post in his place."

3 The Hon'ble Mr. SHADI LAL asked:—"Will the Government be pleased to state whether in connection with the re-organization of the Judicial Service and the separation of the civil judicial business in this province, it is proposed to strengthen the Subordinate Judicial Service by giving a larger number of appointments to the experienced members of the legal profession and thereby raise the tone and efficiency of the service as is the case in the other large provinces of India."

The Hon'ble Mr. MACLAGAN replied:—"It is not proposed to alter the present method of recruiting for the Judicial Branch of the Provincial Civil Service under which a limited number of legal practitioners may be appointed to that service. The last appointment of this class was made in July 1909. The possibility of appointing members of the legal profession to be Munsifs is, a question now under the consideration of Government."

1 The Hon'ble Mr. SHADI LAL asked :—" Will the Government be pleased to state whether the gardens in the neighbourhood of Delhi, which were previously, wholly or partially, exempt from the payment of land revenue have been recently assessed to land revenue, and, if so, on what grounds the exemption, which aimed at the encouragement of horticulture, has now been drawn ? "

The Hon'ble Mr. DOUIE replied :—" Some gardens in the neighbourhood of Delhi were wholly exempt from assessment at the last two settlements. It is understood that the Settlement Officer is submitting a report about these gardens. No orders have as yet been passed about the assessment of gardens in the estates immediately adjoining the city walls and now included in Mauza Delhi. The question therefore would appear to relate to fruit gardens in the environs of Delhi included in the Khandrat Circle. These cover an area of 1,357 acres, and are extremely valuable, while the owners are mostly rich people. Usually the owners work the gardens direct and sell the fruit to contractors. In some cases they let to tenants who in turn sell to contractors. In the latter case the rent was found to be on the average Rs. 33 per acre, giving a standard assessment of Rs. 16½ per acre. The people for assessment purposes, themselves arranged the gardens in classes, and the assessment imposed works out on the average to about Rs. 16 per acre. The average assessment rate at the previous settlement was Rs. 2-8-0. The land was at that time either ordinary agricultural land or was assessed just as if it had been such. This was in accordance with the rule in force in 1880, which the Hon'ble Member will find on page 245 of the Settlement Manual. That rule was made to encourage the planting of gardens generally and suitable to the case of ordinary village mango groves or gardens kept for pleasure and not for profit. It is not suited to old established fruit gardens kept for profit near large towns. In 1898 after consultation with some of its best revenue officers the Government sanctioned the present rule which is—' The rate of assessment for land under timber or fruit trees should not ordinarily exceed the village rate for land with similar advantages not under trees ; but when the profits from fruit gardens, which have been fully taken into account in the produce estimate, greatly exceed the profits from land with similar advantages under *sabti* or other crops, the Settlement Officer should not hesitate to take such gardens out of the general *bachh* and assess them separately.' Some years before the rate was changed a rate much higher than the average rate now applied to the gardens near Delhi was, it is believed, assessed on some of the Lahore gardens, while the rate on gardens near Multan is understood to be between Rs. 9 and Rs. 10."

#### BUDGET FOR 1910-11.

The Hon'ble Mr. MACLAGAN said :—" I present the Budget Estimates of revenue and expenditure for the year 1910-11 as finally adopted by the Government of India on the 28th March 1910. It differs in no way from the Financial Statement which has already been presented, and I have no remarks to add. The only new information is that the grant of Rs. 30,000 to the Punjab University will be granted for 3 years."

His Honour the PRESIDENT said :—" I am sorry it should have been necessary to trouble the Hon'ble Members to come here to-day when there was little or no business to transact, but under the rules for the presentation of the Budget such is the procedure. I might say that according to former practice when the Budget was presented to the Imperial Council the Hon'ble Finance Member took the opportunity of explaining it fully, and other Hon'ble Members were given an opportunity of discussing it a week or 10 days later.

" But, now seeing that the figures of the Budget have been explained and discussed at the Committee stage, there is really very little to do at this meeting, and it may be desirable to suggest to the Government of India that the present day's step in the proceedings should be eliminated whenever this can

be done without inconvenience. When there is no change in the Budget figures the papers could be sent to Hon'ble Members by post. This, however, is a matter into which we cannot go at present, and it is possible indeed that there might have been some vital alteration in the Provincial Budget by the Government of India, which would have necessitated explanation at this stage of the proceedings.

"In the subsequent discussion on Friday, no resolution can be moved. If the Hon'ble Members wish to make any general remarks on the Budget in its financial aspects, they will be at liberty to do so.

"I hope, however, that they will as heretofore be moderate in their demands on the time of the Council, and I propose that we should limit our remarks to speeches of 15 minutes, as fixed by the rules in the case of speeches at the Committee stage."

#### ADJOURNMENT.

The Council adjourned to Friday, the 8th April 1910.

LAHORE:

*The 6th April 1910.*

S. W. GRACEY,

*Secretary to the Legislative Council,*

*Punjab.*



PUNJAB GOVERNMENT.  
LEGISLATIVE DEPARTMENT.

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*Abstract of Proceedings of the Council of the Lieutenant-Governor of the Punjab, assembled for the purposes of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 to 1909.*

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The Hon'ble Khan Sahib Sayad MAHDI SHAH.

The Hon'ble Mr. JAMES CURRIE.

The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI.

The Hon'ble Khan Bahadur Khwaja YUSAF SHAH.

The Hon'ble Mr. WEBSTER BOYLE GORDON, C.I.E.

The Hon'ble Mr. HENRY PARSALL BURT, C.I.E.

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The Hon'ble Lala SULTAN SINGH.

The Hon'ble Colonel THOMAS ELLWOOD LINDSAY BATE, C.I.E., I.M.S.

The Hon'ble Mr. HENRY PHILLIPS TOLLINTON, B.A., I.C.S.

# QUESTIONS AND ANSWERS.

THE Hon'ble Mr. MUHAMMAD SHAFI asked the following question :—

5. 1. "Will the Government be pleased to state, for the information of the Council—

"(a) the exact number of municipal committees in the Punjab in which the system of separate representation prevails, i.e., in which Hindus and Muhammadans elect their representatives separately, and

"(b) the total number of elected Muhammadan members as compared with the total number of their elected Hindu brethren on such municipal committees."

The Hon'ble Mr. TOLLINTON replied—"1 (a). The number of municipalities in the Punjab in which separate representation prevails is 10. These are—

Lahore.

Amritsar.

Multán.

Hoshiárpur.

Tarn Taran.

Shujabad (Multán).

Rewári (Gurgaon).

Jandiála.

Ambála.

Sujánpur (Gurdáspur).

"1 (b). The total number of elected Muhammadan members on these committees is 45. The total number of elected Hindu members is 57 and 2 Sikhs."

The Hon'ble Mr. MUHAMMAD SHAFI asked—

6. 2. "Will the Government be pleased to state, for the information of the Council,—

"(a) the exact number of municipal committees in the Punjab in which the system of mixed electorates still prevails ;

"(b) the total number of elected Muhammadan members as compared with their elected Hindu brethren on these municipal committees ; and

"(c) the total number of Muhammadans as compared with that of their Hindu fellow-subjects inhabiting these municipal areas."

The Hon'ble Mr. TOLLINTON replied—"2 (a). The number of municipalities in which a system of mixed electorates still prevails is 67.

"2 (b). The number of elected Muhammadan members on these committees is 170 as against 262 Hindus and 38 Sikhs.

"2 (c). The number of Muhammadans residing in those areas is 616,000 as against 502,000 Hindus and 31,000 Sikhs.

"I may observe parenthetically that the figures for population by religions have been taken from table V of Part II of the Census Report. This table, however, refers to whole towns and not municipal areas only. Thus they cannot be said to be absolutely accurate, though it is unlikely that the proportions have been seriously upset by the inclusion of those few areas in towns which are not included in municipal limits. In any case it was impossible to obtain the exact municipal figures without a reference to local officers, and this would have involved delay and considerable labour. Even, as it is, the time of 2 clerks in the Government offices has been taken up for several days in compiling the figures now given which involved the close examination of over 70 files."

7 The Hon'ble Mr. MUHAMMAD SHAFI asked—"Is the Government aware of the existence of grave dissatisfaction among the Muhammadan community in the areas concerned, owing to the inadequacy of their representation on the municipal committees wherein mixed electorate still prevail, and is the Government considering the desirability of extending the system of separate representation to all municipal committees throughout the province?"

The Hon'ble Mr. TOLLINTON replied—"I may say that Government is aware that in some cases dissatisfaction exists. As was observed by His Honour the Lieutenant-Governor in his recent review on the municipalities of the province for the year 1908-09—'Since the question of separate representation of classes was brought prominently into notice in connection with the Reforms Scheme, there have been many petitions from townspeople throughout the province asking that the system should be applied to their municipality.' In every case the facts have been very carefully sifted. Separate representation was only in February last introduced in the municipality of Jandiala. On the other hand in Rohtak and Rāwalpindi the alternative course was followed, of endeavouring to restore the balance and protect the interests of a party insufficiently represented by appointing a member belonging to that party to a vacancy by nomination.

"The Hon'ble Member may perhaps be aware that the Decentralization Commission as a result of their examination of a large number of witnesses found that the system seemed to have worked fairly satisfactorily in some Punjab municipalities. A difference of opinion as to the merits of the system still exists. Where faction feeling is great, indications are not wanting that class representation sometimes tends to accentuate rather than allay that feeling. In the circumstances, while Government will continue, both in making appointments to vacancies by nomination, and in considering the protests of parties who consider themselves to be insufficiently represented, to examine each case on its merits as it may arise, it is quite impossible to make any definite pronouncement as to the desirability of extending a system, of which the inherent drawbacks are so very obvious, and so long as those drawbacks continue in practice to follow its adoption."

8 The Hon'ble Lala HARI CHAND asked:—"Is the Government aware that at a public meeting of the Hindus held at Jagādhrī (Ambāla district), on the 21st January 1910, resolutions expressing horror and detestation at the dastardly attempt by means of a bomb on the life of Mr. Sykes, the popular Deputy Commissioner of Ambāla, was unanimously passed, and that public subscription amounting to over Rs. 1,000 was raised as a prize for the detection of the culprit? Will the Government kindly inform the Council, if not contrary to public interests, the steps taken for the detection of the culprit?"

The Hon'ble Mr. MACLAGAN replied—"The Government heard with much gratification of the meeting and resolutions referred to. Police enquiries have been undertaken and a Government reward offered for the detection of the culprit, but so far without success."

9 The Hon'ble Lala HARI CHAND asked—"Is the Government aware that zamindars are put to difficulties when paying revenue in tahsils?"

"Is it allowable for zamindars, either directly or through lambardars, to remit the revenue—

"(a) by Currency Notes sent by post ;

"(b) by Bank Cheque, the amount to be credited when realized from the bank ;

"(c) by Money Order ? "

The Hon'ble Mr. DOUIE replied—"The rules require that zamindars shall in all cases pay land revenue through their village headmen. The Government is aware that it is alleged that underlings obtain douceurs from village headmen when they bring land revenue to the tahsil. In order to check such malpractices where they exist the plan of allowing lambardars to remit the revenue to the tahsil by money order was introduced experimentally in four districts in 1890 and generally in 1891. Payment by transmission through the post of currency notes sent insured under registered covers is not free from difficulty owing to the risk of embezzlement or theft or loss in the post, but in January of the present year the Government authorized the adoption of this as one method of paying in revenue experimentally in the districts of Lyallpur, Shahpur and Gujranwala. Under section 15 of Act II of 1910 (the Paper Currency Act) the notes, if of a foreign circle, must be of the denominations of Rs. 5, 10, or 50. In the Land Revenue Report for the year ending 30th September 1908-09, recently submitted to Government, a reference was made to an application by local banks at Lyallpur to be allowed to pay in revenue on behalf of lambardars on their written authorization, and it was stated that the Financial Commissioner would call for a report on the subject. In paragraph 17 of the annual report mentioned above the Hon'ble Member will find further information on the matters to which his question relates."

#### DISCUSSION ON THE BUDGET, 1910-11.

The Hon'ble Sardar PARTAB SINGH said—"Your Honour—There are three or four topics on which, with Your Honour's permission, I should like to speak.

"Firstly.—I am glad to see from the Provincial Settlement Report that Government is trying to carry out settlements on a cheaper scale and with less elaboration.

"Secondly.—The next point upon which I will touch will be the prolongation of criminal cases. I referred to this in my speech in the Imperial Legislative Council, and if this prolongation of procedure is cut short, I think, no doubt, eventually, it must end in a certain amount of saving to the Province. To this end I would suggest that the committal stage of the Sessions cases should be abolished.

"In the Imperial Council two Hon'ble Members from Madras referred to insecure and bogus Insurance Companies and Provident Fund Institutions. In other Provinces and all over India they mentioned that some of these had brought disastrous consequences upon their policy-holders and subscribers. Since my return to the Punjab I notice numerous advertisements of such Insurance Companies and Provident Funds in the papers. No doubt some of them are good institutions, but to see so many makes one feel doubtful of the genuineness of some, and I urge that an inquiry should be made and there should be brought into force a law of control over the various Companies and Provident Funds.

"Turning to education in the Punjab Your Honour knows very well that I have always been an advocate in the matter of recruitment of the public service of the claims of candidates of good family and position. So far as I am aware due consideration is given to this point, but I do not think enough consideration is given in the Educational Department to social status, and that is a Department which is solely and wholly responsible for the future of our country. I would respectfully urge on the Government that this point may be taken into consideration in appointing teachers in different schools.

"The last point that I would wish to press before Your Honour is one which is certainly very important, and I think it may claim Your Honour's sympathy on this point not only as a Lieutenant-Governor but as an ardent motorist. Your Honour, if the money can be spared, may I urge that two roadways may be made on the Beas and Sutlej rivers.

The Hon'ble Khan Bahadur Khawaja YUSAF SHAH said—  
 "Your Honour, it is not without diffidence that I rise to offer a suggestion which deserves the serious consideration of the Government as soon as the strain on our provincial resources permits of its being carried out. Being aware of the embarrassing financial condition of our administration and sympathising earnestly as I do with Your Honour's Government in the difficulties it has to face in meeting the multifarious pressing demands on the provincial exchequer which were so ably set forth the other day in a lucid speech by the Hon'ble Mr. FENTON in the Supreme Council, I would have refrained from making the suggestion at the present moment, but for the importance I attach to the proposal as a representative of municipal interests. Municipal boards are often reminded of their duties in connection with sanitation, but municipal boards have their own financial difficulties, which, on a small scale, are as real as any with which we are concerned here, and important sanitary measures have to wait simply for want of funds. The municipality of Amritsar has long been regarded one of the best managed municipalities of the Punjab, and being in a well-to-do commercial town its finances have so far been on the whole in a sounder position than that of many other municipalities in the province; yet, I can say from my experience of the Amritsar municipality that several sanitary reforms of considerable urgency have had to be put aside owing to the necessary amount of money not being available. One of the items of expenditure of which the municipalities may be relieved with advantage is their contribution to the upkeep of the police. If Your Honour's Government could do anything to relieve the municipalities of this burden, which cannot, strictly speaking, be regarded a primary charge on their resources, the Government would be conferring a great boon on the municipal boards, which will then be in a position to devote the money so saved to sanitary improvements or to the provision of greater facilities for primary education, which, after sanitation, is one of the foremost things that should receive the attention of the boards. I am afraid that with the already increased responsibilities of the Punjab Government in the Police Department which are mainly due to the carrying out of the recommendations of the Police Commission, it will not, perhaps, be possible for the Government to accede to this suggestion at once, but it is well to keep in view the idea that the municipalities deserve to be given the benefit of any favourable turn in the fortunes of our provincial funds. I see no reason why the Punjab should not receive from the Supreme Government its due share of help or get less than many other provinces, to none of which it yields in importance, not to speak of the loyalty for which our province has long been conspicuous. I hope that the claims of this province on the liberality of the Imperial Government will receive an additional strength from the suggestion I have made, because a recognition of the justice, or at any rate, advisability, of any such step, will prove that the Local Government cannot afford a much-needed relief to municipal bodies, unless it is, in its turn, relieved proportionately by the Imperial Government."

The Hon'ble Lala SULTAN SINGH said—"Your Honour, I would like to bring forward three points for consideration in the present Budget.

First of all, I note that while expenditure under the Head of Law and Justice, Police, Medical, and Stationery and Printing has largely increased in the past four years, Education, according to the Director of Public Instruction's own statement, has remained practically stationary.

"I see from figures in Bengal that in that province during the same period, the expenditure on Education has increased from 38½ lacs to 59 lacs. It is quite impossible for Education to remain efficient, except with rising

expenditure. I fear very much that in our own province, we shall find that unless the expenditure on Education begins to rise again, we shall fall behind the other Provinces of India. May I ask if it is not still possible to increase this year the Educational allotment. If not possible this year, could we at least have an assurance from the Finance Member that Education will have a primary claim in the next year's Budget.

"Secondly, I note with satisfaction that in the case of the Lahore municipal committee, the Police charges have been remitted by the Local Government. May I ask if it is possible to extend this concession in the next year to other larger municipalities of the province. This would set free our municipal finances and enable us to undertake some of the most pressing and long-delayed schemes of local utility.

"Thirdly, I am glad to see that a beginning is to be made in effecting sanitary improvements in the cities of Amritsar and Delhi, which have suffered so heavily from the ravages of malaria. I would ask for my information whether the work of clearing the Bela in Delhi will be undertaken immediately and carried through as a whole, or in sections.

"The citizens of Delhi would prefer that the scheme, if it is to be effective, may be executed as one undertaking and in as speedy a manner as possible, even if a loan was required for it.

"In conclusion I would express on behalf of our citizens our grateful thanks to Your Honour's Government for the amount which is now being allotted for the much-needed sanitary improvements in these large towns and for the personal interest evinced by Your Honour in the sanitary welfare of this province."

THE Hon'ble Khwaja AHAD SHAH spoke in Urdu, a translation of which is as follows:—"Your Honour, although it is now impossible to make any alterations in the items of receipt and expenditure in the Budget for the current year, I consider it necessary to express my opinion regarding certain matters which might not improperly be kept in view in giving effect to the Budget for the current year and in framing that for the next year.

"Your Honour, the figures detailed by the Hon'ble Finance Member show that the income is less than the expenditure by 9½ lacs; that the deficit has been made good from the balance of last year, and that the current year will close with a smaller surplus.

"Although, Your Honour, the Hon'ble Finance Member has taken great pains to establish an equilibrium between the receipts and the expenditure in the current Budget, yet there is an increase of only 15½ lacs in the receipts and of more than 34 lacs in the expenditure as compared with the average of the preceding five years. The average surplus is shown as 16 lacs against 35½ lacs, which fact is worthy of notice by Your Honour. The Hon'ble Member has in his memorandum remarked that there is a strong hope of an increased income during the current year. But when the figures for income shown in the Budget are not certain we must pause before increasing the expenditure and closing the year with a smaller balance in the hope of an uncertain increase. For, if, God forbid, the receipts were to fall off owing to natural calamities, the Provincial Government will have to face serious difficulties. Although it was the duty of the Government of the province to increase the receipts by proper means to meet necessary expenditure, yet *prima facie* it appears that having regard to the existing state of the country a large increase in the income (addition to the burdens of the people) has been deemed impolitic. I am, however, of opinion, that it is absolutely necessary to preserve an equipoise between the receipts and expenditure. At last 10th of the receipts should be kept in hand at the close of the year.

"Your Honour, the agricultural tribes form the majority of the population of this fertile and prosperous province, and it is they who contribute the major portion of the income of the Punjab. But as the agricultural population is already steeped in indebtedness and litigation they are unable for the present to bear any additional burden. The Government cannot, therefore, secure increased income until they devise further means for saving the agriculturists from the burden of indebtedness, pressure of exorbitant interest and from expenses incidental to useless litigation. Although the Government has directed its attention towards occasionally making laws for the amelioration of the condition of the agriculturists, yet as the enforcement of the said laws is entrusted to non-agriculturists who feel no sympathy with them, the former are unable to derive any advantage from the said favourable and beneficent laws. It is, therefore, absolutely necessary to reserve a specified proportion of posts in the Judicial and Executive services for the members of the agricultural classes. This will tend to make the majority of the population of the country prosperous, and will assuredly lead to an increase in the land revenue.

"Sir, it is difficult to deal in detail with the figures of expenditure shown in the Budget except those specified under minor heads. The increase, however, under certain heads is worthy of note. For instance, under the head of expenditure on Education in the current year there is an increase of four lakhs as compared with the average for the last five years. So large an increase under this head is quite unnecessary.

"I wish to deal with the question of education at some length, though, I am afraid, my countrymen will not agree with my ideas because the people of this country have developed a great desire for education, and I am about to lay before you reasons for restricting the same. I am convinced that the spread of education in this country is not only injurious to the rulers, but is at the same time likely to produce poverty among us. If, therefore, I were to keep silent, for fear of opposition on the part of my countrymen, my conscience would be sure to upbraid me. Your Honour, everything in this world appears to be good or bad according to its different qualities and attributes. Although a thing may be one and the same in itself, it has in special circumstances two different aspects. For instance, it is better to live in houses in villages or cities than to wander about from place to place, but during the plague season it is fatal to live in houses and beneficial to live in the jungle like nomads. Similarly, the shade of a tree, though beneficial in the hot weather, is injurious in the winter. Education, too, is no exception to this universal law. Your Honour, education in itself is good, but is not suited to the condition of our country, and is, therefore, doing harm instead of good to our country. For instance, it is customary in this country to make articles with the hand, but it is characteristic of the present system of education that it makes the people averse to manual labour. It is for this reason that the educated Indians do not in these days care for the callings of their forefathers with the result that we are dependent on foreign countries. A mason will hardly accept one rupee a day, but educated persons can be had in abundance for four annas each per day. Education has the effect of making one live in a decent manner and earn an honourable livelihood. In this country the change of profession has the effect of changing one's caste, and men engaged in trades and professions are looked upon with contempt. This being so, it is impossible for an educated person to do manual labour and thereby lose his caste. He will naturally hanker after Government service which secures ~~1881~~ as well as authority.

"Your Honour, some persons may be of opinion that if educated persons were to direct their attention towards handicrafts instead of service they would be able to make their trade more prosperous than uneducated people, because their education will enable them to carry on their trades with greater decency

and improve arts, industries, and the like by means of machinery and thus benefit their countrymen. My answer to this contention is that if machinery were introduced into this vast country it would still further add to its poverty. India has a vast population and bears no resemblance to Europe, America and Japan. Owing to their small populations it is undoubtedly advisable in those countries to bring machinery into requisition. India, on the contrary, has a large population, and it is necessary for each individual in this country to earn something in order to feed his family. With the help of a machine one man can do the work of a hundred or even more persons. The introduction of machinery will, therefore, undoubtedly lead to the starvation of the remaining people. The only result that follows the introduction of machinery is that the few grow rich at the expense of the many. If, like Europe, America and Japan, machinery were to be introduced into this country we would no doubt be independent of foreign countries, but we should at the same time undoubtedly fall into the abyss of destruction by the hands of our own countrymen. It will indeed be tantamount to rescuing an animal from the clutches of a wolf with a view to killing it ourselves. As a matter of fact, the animal is certain to meet death in either case. In short, our prosperity depends on making every individual follow the trade of his forefathers and improve the same. The educated Indians, however, have developed a natural aversion for their fathers' trade. For instance, the son of a weaver, when educated, will never like to work as a weaver. This being so, the effect of the spread of education will be that people will either starve or worry Government and create unrest in the country.

"Your Honour, there is yet another evil. The uneducated will subsist on bread made of barley or millet coarse grain and wear coarse cloth, but the educated requires decent arrangement for his food. In short, the educated in this country aspire after service, but the Government has not the means to find employment for all of them.

"Your Honour, I do not desire the abolition of the Education Department; on the contrary what I mean to urge is that as the people have developed a taste for knowledge the Government need not now burden the Provincial revenues with the cost of education. If the progress of education were to continue at the present rate, the majority of the educated Indians would be led by starvation to plunge the country into trouble. Again, if education were similarly to spread among the agricultural classes the land revenue would undoubtedly decrease.

"Your Honour, Government should in these days care more for the improvement of sanitation than education, for thousands of lives are daily carried away in the country by disease. In villages, especially, where neither medical aid nor medicines can be had and where the inhabitants are left to the care of nature alone, it would, therefore, be advisable if Government were to improve sanitation instead of education. Although education is a civilising agency for man, yet it is admitted on all hands that health is of greater importance than education. Preservation of health is the first duty and necessity of man, civilisation and earning of livelihood being of secondary importance. Until we have made full provision for health of body it is not necessary for us to spread education. When, in short, Government has spread necessary education and brought home its advantages to the people in every corner of the country the people can now effect such improvement in this respect as may be necessary."

"The Hon'ble Nawab BAHRAM KHAN spoke in Urdu, a translation of which is as follows—"Your Honour, first of all I thank Government who have allowed a debate on the Budget in the Punjab and have granted this Council the right to discuss other measures and to put forward the claims of the public. I now venture to invite Your Honour's attention to the present critical condition of the city of Dera Ghazi Khan. Your Honour has twice visited the town to express sympathy with it, and has thereby placed not only the town but also the whole district under a great obligation. The whole of the district is heartily thankful to Your Honour for this gracious act."



of kindness. There was no need of dilating upon the past and present condition of the town, as Your Honour and some of my Hon'ble Colleagues who have visited the place are fully aware of the same. As, however, some of the Hon'ble Members have not yet paid a visit to the town, and are probably unacquainted with the state of things existing there, I consider it necessary to give a brief account of the town. Dera Ghazi Khan is an old city which was founded when the Baloches began to emigrate from the hills to the plains which was probably in the 15th century. The river had at that time begun to change its course from the west towards the east. The city was founded by Nawab Ghazi Khan, Beloch Marrani. Subsequently the river changed its course towards the east and the city was gradually left at a distance from the river and in each subsequent regime it became more and more populous. It will, indeed, be no exaggeration to say that from Peshawar to Jacobabad no city on the frontier, except Peshawar, equals Dera Ghazi Khan, in beauty and splendour. A few years ago the city became subject to the encroachments of the river and the Government began kindly to spend large sums of money to prevent these encroachments. The local authorities at first urged that a railway line was necessary to save the city, but unfortunately the proposal was rejected. When Lord Curzon paid his last visit to the town His Lordship was pleased to depute Mr. Dawson, an officer of great experience, to devise means for saving the city. Unfortunately the protective works which were commenced early in the summer proved unavailing owing to extraordinary floods in the month of May. Last year the city suffered seriously from river action, 931 houses being washed and 1,271 demolished. The loss is estimated at four lacs forty-four thousand five hundred and seventy-three rupees. In addition to this the culturable land and gardens valued at Rs. 7,36,000 were carried away by the river. The total loss, therefore, amounts to about twelve lacs. In the winter of 1908 Your Honour was pleased to propose the excavation of a channel with a view to diverting the course of the river, but unfortunately for the town the expectations thus raised were not realised, inasmuch as owing to shortness of time, labour could not be procured and the floods also came earlier. Your Honour has witnessed the present deplorable state of the town of Dera Ghazi Khan. With the near approach of the hot weather the apprehensions of the inhabitants of the place are increasing. The river is flowing through the city and serious fears are entertained that in case of floods it will carry away the town. The loss of the inhabitants is not confined only to the destruction of houses and lands, they have for the following reasons suffered in other respects also :—

- " (1) The removal of the cantonments has injured the trade of the town.
- " (2) The gardens in the neighbourhood have been spoiled owing to the land having become water-logged.
- " (3) The Kasturi nalla having been carried away the irrigated lands have suffered.
- " (4) The villages in the neighbourhood have been carried away in consequence of which the trade of the town has suffered.
- " (5) The constant danger from the river has considerably reduced the value of the houses, so much so, that even the money for which they have been mortgaged cannot be realized.
- " (6) The construction of new houses having been stopped the artisans have been put to loss.
- " (7) The trade of the town has generally decreased owing to the danger from the river.

From the above facts Your Honour will see that the state of the town of Dera Ghazi Khan is so deplorable that it stands in need of and deserves further help from Government. Although money is required for the whole of

the Province and there might be other urgent requirements in the Punjab, yet the deplorable condition of the 21 thousand persons inhabiting Dera Ghazi Khan who are at present in trouble and danger, call for serious consideration. Any help rendered to them will produce a salutary effect not only on the people of the town of Dera Ghazi Khan but also on all the Baloch tribes on the frontier who are closely connected with the city. Three proposals are necessary for the prosperity and protection of the town :—

" I. Railway from Dera Ghazi Khan to Sakhi Sarwar.

" II. Civil Station.

" III. Measures for the water-supply.

" As to the first proposal I do not see any mention of the same in the Budget, although the people of the town have for years past been praying for the protection of their city. Your Honour has hinted that there can be no objection to the district board building the railway. It is, however, not unknown to Your Honour that the income of the district board is not such as to allow of their undertaking the constructing of a railway line. The district of Dera Ghazi Khan is a poor one and the cost of the proposed line as recently estimated amounts to about ten lakhs. In order to enable the 21 thousand people of the town of Dera Ghazi Khan to settle, it is necessary to build the railway up to Sakhi Sarwar. The line will not prove to be an unprofitable concern, because trade in wheat, wool and other merchandise of the Kehtars of talisils Barkhan, Beluchistan and of the Musa Khel Pathans, Marri and others will be opened with Dera Ghazi Khan. Besides, the line will also benefit the pilgrims to Sakhi Sarwar. According to the estimates made in 1898 one lakh and seventy thousand persons and 2½ lakh maunds of merchandise passed that way. Having regard to the exigencies of the time the construction of the railway appears to be necessary. Moreover, this line will be on the Peshin road which was constructed for military purposes.

" There is no means of helping the town of Dera Ghazi Khan except by the generosity of Your Honour. Although there might undoubtedly be other requirements of the province yet in view of the deplorable state of the town Dera Ghazi Khan has a prior claim. As the inhabitants of the place are in a state of panic, owing to the coming floods, it seems necessary to make some special arrangements for the transport of their belongings. As the number of camel in the district is not sufficient, it is in my opinion desirable to utilise the Government camels and the camels in Jhelum and Chenab Colonies on payment of moderate wages. As to the civil station, although Your Honour has stated that it would be completed in five years the people are not inclined to settle in the new city until they see the civil station in the process of construction. It is, therefore, necessary, in my opinion, to begin forthwith the work of constructing the civil station with a view to reassure the afflicted people so that they may gladly settle there. I, therefore, most respectfully submit that liberal provision may be made for the said two works, *i.e.*, railway line and the civil station in the present Budget.

" Out of the items of expenditure that for settlement operations is such as to admit of curtailment. The ordinary Revenue establishment in the Punjab is more than sufficient for the determination of all sorts of rights pertaining to land, such as Haqiqat and assessment, and all changes in them are if supervision is exercised properly duly discovered and entered in the papers. There remains only the decrease and increase in the Government demand for which settlements are found necessary in quick succession. The following are the only sources from which the enhancement of the Government revenue may be expected in the future :—

" (1) The breaking of the culturable land.

" (2) Improvement of the means of irrigation.

" (3) More extensive cultivation of superior crops for inferior ones.

" (4) The dearthness of grain.

"There is little or no waste land fit for cultivation in the Punjab except the Government reserves. In case the irrigation is improved by means of wells, the demand can, under the instructions issued by the Financial Commissioner, be enhanced or curtailed without a fresh settlement, according as the number of the wells decreases or increases. Again, on the opening of a new canal the water-advantage rate and *abiaya* can, according to the orders issued by Government under the Canal Act, be assessed without a settlement. The changes due to river action are constantly taking place. To tell the truth, the recurrence of settlements in quick succession has proved an obstacle in the way of further improvement in respect of 1 to 3 above.

"Consequently the shortness of the term of settlement has proved a drawback in the interest of both the people and the Government. If the period of settlement were longer, the agriculturists would without inducement make improvement in agriculture. As to the dearth of grain, the Settlement Officers generally lay stress on it in enhancing the demand, which is a great mistake. For with the increase of the prices the price of the cattle, the wages of the field labourers and others has proportionately gone up. A labourer who could formerly be engaged in return for food and Rs. 2 for 6 months cannot now be had for less than Rs. 8 or 10 per mensem. Pastures having disappeared the agriculturists cannot keep more cattle than are actually required by them. Their indebtedness is due to the purchasing of cattle and agricultural implements. I, therefore, most respectfully submit that the period of settlements should be extended and whenever a settlement is found necessary the assessments may be based on the quadrennial papers which should be caused to be prepared carefully, and thus both the people and the agriculturists may be saved from heavy expenditure on settlement establishments."

The Hon'ble Mr. SHADI LAL said:—"Your Honour, I trust I may be allowed to make a few remarks on some of the items on the debit and credit side of our Provincial balance sheet for 1910-11. I make these remarks not in a spirit of captious criticism, not with a desire to upset the equilibrium of our Budget which is by no means very stable, but in the interests of the Government, which we are all proud to call 'our Government' and in the interests of our people—the interests which I know are so dear to Your Honour. The Provincial statistics which the Hon'ble Mr. MACLAGAN so ably and lucidly explained to the Council at an earlier meeting and which have now emerged unaltered out of the crucible of the Government of India do not indicate a very satisfactory condition of the Provincial finance. As far as I can make out from the figures before us, the expenditure generally seems to be no more than is necessary for an efficient Government. I am rather inclined to think that more money is badly required for some of the Departments. At one stage of the progress of the budget in this Council, I was inclined to move some resolutions recommending the increase of the grants for Education and Sanitation, but knowing that our finances this year were far from being in a prosperous condition, I refrained from putting the recommendations in the form of specific resolutions and thought I might be able to draw the attention of the Government at the time of the general discussion on the Budget with a view to future action. It is not my intention at present to urge the desirability of introducing free primary education which is an Imperial question and which is, I venture to think, bound to come. But I cannot help mentioning that the Education Department over which the Hon'ble Mr. GODLEY so ably presides is at present starved, with the result that efficiency is at a low ebb. The salary paid to a teacher in primary schools is a mere pittance and is hardly sufficient to keep body and soul together. I assure Your Honour that I am not overstating the case when I say that the pay of some of the teachers in the primary schools is not equal to the wages of an ordinary labourer in large towns. It would be undesirable if any of these miserable men drifts into discontent and infects his pupils with feelings engendered thereby. The salaries of the teachers in the higher grades of the service compare unfavourably with

the salaries given to officials of the same calibre in other departments. Some of the schools in the Mofussal have not got buildings of their own, and it seems a great pity that in some cases the only Government School in a town should be housed in an ugly, insanitary and hired building.

"In connection with Collegiate education, I beg to express to Your Honour the thanks of the Senate for the kind interest taken in the building scheme of the University and the help Your Honour has promised in this connection. I hope the Secretary of the Legislative Council will soon be able to vacate the present building so that the Oriental College, the Law College and the University Library might be suitably housed. There is one matter in connection with the Government College to which, I will, with Your Honour's permission, draw attention. The Punjab University has recently passed regulations separating the subject of Economics from History for the degree examinations and these regulations have been sanctioned by Government. The Arts Colleges, affiliated to the University are trying to make suitable provision for the teaching of Economics as a separate subject, but I understand that the Government College, the only Government institution of the kind in the Province, will not be able to have a separate Professor of Economics to teach the subject.

"In connection with other items of expenditure, I notice that Your Honour has taken a lively interest in the sanitation of the Province and something has already been done for large towns like Delhi, Amritsar and Lahore. But as Your Honour is aware, there is great room for improvement in this direction, and sanitation particularly in urban areas and the more populated centres is a necessity which demands earnest attention. I am convinced that the Public Works Department needs more funds and arts and industries need substantial encouragement, if the indigenous talent in this direction is to be rescued, kept alive and improved. In you, Sir, we have got a patron of indigenous arts and industries, and it behoves honest and enterprising men to come forward and help the Government in this noble task. The Police grant shows, I notice, a tendency to a marked rise, due, I understand, to the reorganisation of the force, and the population of canal areas. The cost of the reorganisation, as far as I can make out, has been partially met by the Imperial Government and the difference is made up from provincial funds."

"The Hon'ble Mr. TOLLINTON, while explaining the figures in connection with the Law Courts, referred to the Bill shortly to be introduced in this Council with the object of bringing the law of appeal in this Province into line with that in other large Provinces, and I welcome this measure which will make the findings of the subordinate appellate courts on questions of facts final and thus save the time of the Chief Court now taken up in useless discussion on facts. But the principle of finality underlying the Bill presumes a strong subordinate judiciary, and I am not prepared to say that in that respect we are on a par with other Provinces. In almost all the large Provinces, the subordinate judiciary is recruited from the legal profession, and I do not see any valid reason why the system which has worked so satisfactorily in other Provinces should not be applied here. I am convinced that the recruitment of Munsifs and Subordinate Judges from the Bar will result in an efficient and speedy disposal of the judicial work in this Province, and I trust that the opportunity afforded by the scheme of the reorganisation of the judicial service which is now before the Government will be availed of and this much-needed reform in our judicial administration will be introduced.

"The Bill in connection with the law of appeal in the Chief Court suggests one more remark and that is in connection with the status of the highest Court in our Province. While we are doing everything to put this Province on a footing of equality with other sister Provinces and thereby removing

the impression which prevails in some quarters that the Punjab is a backward province; no effort seems to have been made so far to raise the Chief Court to the status of a Chartered High Court. It is nearly 45 years since the Chief Court was created and the time, I think, has now come for bringing this province into line with other provinces as to the status and functions of its highest court of appeal.

"The other heads on the expenditure side do not call for any special remarks except the land revenue settlements. I wish it were possible to remove the harassment of our recurring settlements. No land-owner has any desire to withhold from the Government its legitimate share of the profits of land, but he will be saved a great deal of annoyance and trouble if instead of the cumbersome machinery of the present settlement system, a cheaper and more popular method could be devised for the purpose of determining the share of the Government, and if the assessments once made might be allowed to continue for a longer period than is the case at present. I have so far been pleading for additional expenditure, and the question which naturally arises is the important question of ways and means. If the expenditure of the province continues and must, in my humble opinion, continue to grow and the increase in income is not equally appreciable and permanent, it leaves scarcely any margin or reserve for the Local Government to meet its ordinary working expenses when confronted with any disaster or calamity. I do not know whether it is within the province of a Member of this Council at this stage or at any other occasion to make any proposal or suggestion that our financial system should be carefully examined by our Colleagues with the help of official experts with a view to find out whether our present and prospective assets are equal to our present and prospective expenditure necessary to secure the best interests of the province. The potentialities of this province are great and enhanced by its rivers, but it has been subjected periodically to drought by the failures of the monsoons, and the canal system has proved unequal to remedy the deficiency. Certain areas, notably in the Delhi division, on the confines of the Bikanir desert, are easily susceptible to agricultural disasters. To mitigate hardship to the people in such areas, it is prudent in policy and humanitarian in principle to adopt permanent artificial means outside the irrigation scheme, for example, the construction of tanks, the sinking of wells and the conservation of water ordinarily lost. For this purpose we need funds, and the longer we stave off famine, the more advantageous it is to the Imperial Government on whom, I understand, the expenditure of famine, in the first instance, falls. Moreover, it is essential that we should have a reserve to fall back upon and this, it seems to me, we cannot secure unless our finances are carefully examined and placed on a more substantial and satisfactory basis. We as non-official members would fail in our duty as representatives of tax-payers, if we refrained from raising our voice in such deliberations and suggesting means for the stability of our finances. I do not think I am overstepping the bounds of our legitimate functions when I state that there are several weak points in our financial system. There is one matter which stands out prominently and that is the practice of the Imperial Government in making fixed assignments to the Provincial Government. This system of granting doles is exceedingly unsatisfactory, and apart from the fact that the projects for which assignments are made are permanent and require to be treated as integral parts of our expenditure, the practice of granting a fixed sum of money instead of a definite share of growing income reacts prejudicially on our financial stability. The expenditure of the province is, as I have already stated, growing: the income is also growing, but it seems to me that under the present arrangement we are not benefited by the growing income in the same proportion in which we ought to be.

"These are the remarks which I have to make in connection with our Budget, but before I sit down, I beg to thank Your Honour for the uniform courtesy and kindness with which we have been treated and the indulgence

which has been shown to those who may not be quite familiar with the rules of debate and the limitations of their functions. Our province has got large potential energy which is capable of being utilised for the advancement and progress of its people. The signs of disorder are fast disappearing, the outlook is hopeful, and I am convinced that under Your Honour's sympathetic and beneficent rule this province has already started on an onward march to prosperity, and that with the co-operation between the Government and the people, which Your Honour is ever ready to encourage, and with the mutual good-will of the two communities inhabiting this province which is so desirable, the onward march will be continued and the progress will, I hope, be steady and everlasting."

The Hon'ble Khan Bahadur ADAMJI MAMOOJI said :—"Your Honour, the Financial Statement does not call for any elaborate remarks from me. Indeed in the absence of fuller details than have been published, it is not possible to indulge in much profitable comment. And yet we must recognize the trouble which Hon'ble Members in charge of various heads of the Budget have taken to explain and elucidate the figures of income and expenditure relating to their Departments, while I cannot lose this opportunity of placing before Your Honour my own views, and of those whom I am privileged to represent here, on certain features of the Budget and a few points connected therewith.

"The quinquennial comparison of the Provincial figures on the revenue and expenditure sides of the Budget will be sufficient to convince one of the strikingly rapid progress which the Punjab has been making in recent years, notwithstanding the visitation of serious calamities. The administration had to work hard to keep the province, as much as they could, free from the devastating effects of plague, malaria and similar other scourges. This involved a heavy cost to the State, and the duty has been nobly performed. Public safety is always the first consideration with civilized Governments, and we are deeply grateful to our rulers for their unsparing labours in this behalf. During the last year, as in preceding years, vigilant care was taken in maintaining those works of public utility which are the pride and glory of British rule, and there was no relaxation in the time-honoured policy of England of ministering to the wants of the needy and the discomforts of the sick. And for the current year a sum of nearly 18 lakhs is provided for in the Budget for medical relief. That is a matter for no small satisfaction, especially as we know that in spite of the obstacles placed in its way by heavenly visitations, the province has in the past continued to make steady progress in every respect. While offering my heartiest congratulations to Your Honour on the successful termination of a year's administration, I look forward to the work of the new year, as outlined by the Budget, with the best of hopes and every confidence.

"Of course, the most striking feature of the new year's Punjab finances is the fact that the estimated Provincial expenditure for 1910-11 will be in excess of the estimated income by nearly ten lakhs, thus bringing down the closing balance from 25 lakhs at the end of the year just ended to an estimate of 16 lakhs at the conclusion of the year 1910-11. Though more than satisfying the condition of the minimum balance of 10 lakhs, as laid down by the Government of India for the Punjab, this is serious enough to call for a careful analysis of our whole financial situation. And I am glad to observe that the explanation given by the Hon'ble Mr. MACLAGAN for the result is eminently satisfactory. However, it is well known that the expenditure of the province grows year by year, and may ordinarily afford cause for anxiety. But in the present instance all right-thinking men will admit that the anticipated increase during 1910-11 is in the right direction, and will be in the best interests of the Government and the people. The increase falls chiefly under the heads of Police and Civil works, and the official explanation, setting forth the reasons which have necessitated additions to the expenditure on the Police, Education, Medicine and Agriculture, will meet with general approval. Increased outlay

on medical and sanitary measures is a matter for gratification; and it was further inevitable that the execution of the much-desired reform of the Police should involve material financial sacrifice on the part of the Government. If the adoption of the new scheme leads to substantial improvement in the integrity and efficiency of the Police force, the sacrifice, I feel confident, will not be grudged by the people at large who will naturally benefit by the proposed reforms. In noticing the growth of expenditure under Education, expenditure which rose from 12½ lakhs in 1901-05 to over 22 lakhs in 1909-10, I venture to congratulate your Honour's Government and its predecessors on the steadily increasing attention which has been paid to the greatest need of the Province. As Your Honour is so well aware, the Punjab is behind most other Indian Provinces in education; but thanks to the beneficent measures undertaken with great vigour, our Province is fast making up its deficiency, and it may be able before long to hold its own in the race for educational activity on which the country is proceeding with such remarkable rapidity. The Hon'ble Mr. Godley's remarks, at last month's meeting of the Council, detailing the many-sided activities of his Department, and the interesting reports issued annually by the Education Department, cannot but be read with genuine pleasure by all classes of the people; and in giving expression to the sincerest gratitude of the people for the invaluable boon that the British Government has conferred on them, the boon of modern education, I beg to add that proper education is bound to prove the panacea for all our evils, social, political and intellectual. Too much stress cannot be laid on the desirability, I should say the necessity, of persevering in the policy of widely spreading education with the help of Government institutions and also by encouraging private educational enterprise. Doubtless many private institutions are yet far below the right standard, and are struggling against heavy odds for existence. But with sympathetic guidance they will soon attain to the proper standard, and will help in carrying the torch of knowledge far and wide. Much has been accomplished, but great deal more remains to be still done; and when appealing to Your Honour for the maintenance of the existing educational activity in the Province, and also for further increasing it, I feel I am speaking on behalf of all Punjab, irrespective of class or creed. An expenditure of nearly 24 lakhs on education, provided for in the new Budget, though in excess of the last year's actuals, is by no means unduly large for a Province of the population and the needs of the Punjab; and a larger provision under this head would not have been at all unwelcome, which would have enabled the Department to bestow special attention on technical and industrial education.

"In advocating the cause of proper education, it should be distinctly understood that I am emphatically opposed to purely secular instruction, divorced from moral and ethical education—instruction which is foreign to the Indian mind, and to the influence of which on raw minds unfortunately we owe, to some extent at least, that wave of discontent which is passing over the Indian Continent, and to which cause, among others, we can safely ascribe the appearance in Indian politics of the sedition-monger and the anarchical revolutionary. The latter are hopelessly blind to the blessing of British rule, and a godless system of education is turning them into the haters of everything good and noble in their surroundings. If we wish to save coming generations from the pollution of their unnatural preachings, it should be the aim of both the rulers and the ruled to join hands in laying the axe at the root of all that tends to foster the growth of sedition and anarchy. The fact cannot be overlooked that the Punjab has also shared in the wave of discontent to which I have just referred, and we were all pained and horrified when the past year was ushered in with the advent of the bomb in our part of the country also. Luckily the abominable attempt was discovered in time, and the evil was nipped in the bud. I rejoice to note that the atmosphere, which was then surcharged with sedition and anarchy, is now comparatively quieter, though the situation still demands ceaseless vigilance. However, the only effective remedy for this deplorable

condition of things does not lie, as has been suggested by some, in limiting the beneficent sphere of work of the Educational Department, but in so adjusting its activities as to produce thoroughly loyal citizens, loyal alike to themselves, to their country, and to their rulers.

"Your Honour, I cannot pass on to the next point without putting in a word on behalf of my own people, who have lagged behind in Western education, but who are, in full consciousness of their own deficiency, exerting their utmost to make up for lost time. Your Honour's keen interest in the cause of Muhammadan education, as well as the active support lent to them by the Punjab Government, both now and in the past, have made an imperishable impression on the Muslim community and been of material assistance in their endeavours to hold their own in the race of worldly preferment. The problem of Muhammadan education no doubt concerns the Mussalmans most vitally, and on its solution depends their future, their very existence. But it is one in which the State is also deeply interested, and Government cannot look on as an unconcerned spectator of the fate of a loyal, large and important element of the population. Indebted as my co-religionists are to Government for its active sympathy and benevolent support, I beg to suggest, for Your Honour's sympathetic consideration, the idea of realizing a very small percentage on the revenue collected from Muhammadan zamindars in the Punjab, the money thus realized being utilized for the advancement of Muhammadan education.

"But to revert to the point with which I started. Your Honour, the unsatisfactory condition of the finances of the Punjab cannot be attributed solely to increased expenditure. Part of the result must be ascribed to inadequate income and to the Government of India having failed to treat the Punjab with a generosity, which was demanded at once by our own circumstances and by the responsibilities of the Imperial Government. I do not propose to go here in detail into the question of the provincial contracts, nor discuss whether the Government of India had treated the Punjab with fairness in the Settlement of 1905. That question was ably dealt with elsewhere by the Hon'ble Mr. FENTON, who, in a speech of rare power and lucidity, completely vindicated the Punjab administration from the charge of extravagance, and made out a strong case for a more generous treatment of this Province at the hands of the Imperial Government. His views will find a responsive echo in the heart of every Punjabi, and I feel our interests are safe in Your Honour's hands who will strive his best to secure for the Punjab a more equitable allotment of Provincial and Imperial funds. This is absolutely necessary as, under existing circumstances, many a scheme of far-reaching importance must remain in suspense, and it is impossible for the Punjab Government to cope with the expanding needs of the day and the ever-increasing developments of the future without a more liberal financial understanding with the Government of India.

"It was stated at the last meeting of the Council that of all local bodies only the Lahore municipality had been relieved of Police charges. As one of the representatives of these bodies on this Council, I deem it my duty to emphasise the necessity of improving the financial conditions of our municipal committees. At present many of them lead a hand-to-mouth existence, others are on the verge of bankruptcy, while not a few are actually in debt to an extent which is out of all proportion to their limited means. These last have to pay heavy interest every year, and the amount of the drain is constantly swelling. The time has arrived, I think, when Government should come to the rescue of these bodies by devising a more liberal financial system for them. Some expenditure, such as that on the police, should be entirely borne by Government, and they ought to be permitted to levy taxation which will cost less in collection than octroi. Octroi is, on the one hand, unpopular with the trading classes and, on the other, it entails a disproportionately large expenditure in its collection. The whole question, I believe, is before Government; and its decision is being awaited with eagerness by the committees themselves and by the traders, who have to deal with the committees.



"While on this subject, I would urge the necessity of securing the proper representation of various sections of the community on all municipal boards. The system of separate communal representation is in vogue in a number of committees, and I am sure disinterested opinion will bear me out when I say that the results of the system have been entirely satisfactory. Mixed elections generally lead to mutual frictions, heart-burning and not infrequently to disregard of some interests and predominance of others. Mixed elections are being abandoned piecemeal, and year after year the number of committees is increasing where, on the representation of the people themselves, Government has had to abolish mixed elections and enforce separate elections by the various communities in fixed proportion. I am strongly of opinion—and the opinion is based on lengthy experience of municipal work—that it will be in the best interests of all concerned if the system of separate communal representation were extended to all committees throughout the province. In this alone lies the solution of many a problem of municipal administration, and I trust Government will not shrink from giving general effect to a reform which has already brought about such happy results and is calculated to secure fair and a adequate representation for all classes and interests.

"Your Honour, I cannot conclude without drawing pointed attention to the condition of a class of public servants who deserve most at the hands of Government, but whose claims have so far received scant attention. In these days of heavy prices and increased wages, low-paid clerks and the ministerial establishment bear the brunt of hard times, and it is necessary to improve their worldly prospects. Doubtless, some assistance is rendered to such men at times of famine and scarcity, and also some improvement has been recently effected in the pays, etc., of the employees of a few Government Departments. But this is quite insufficient to meet a general want, and I would respectfully urge the expediency of considering the whole question at an early date and bringing relief where it is so much needed. I believe, memorials from more than one Departmental employees are awaiting disposal, and it is to be hoped they will receive sympathetic consideration.

"With these few words, Your Honour, I beg to express my general concurrence with the provisions of the Punjab Budget as a whole and to recognize the care with which each item appears to have been framed and scrutinized."

The Hon'ble Colonel BATE said :—"For twenty years I have known the Punjab and the one thing that has struck me is the extraordinary economy shown in the administration. A good deal has been said in this debate about sanitation. I think, however, that the Hon'ble Members who have spoken on the subject have lost sight of two great sanitary measures which are being carried out. The first is the great system of irrigation that is being pushed forward all over the province. The first-thing for the people is to provide them adequate food, and for this purpose irrigation might be regarded as a sanitary measure. The second great measure is the improvement of railways as a method of communication. After we have provided food for the people the next thing is to arrange for it to be carried to them, and for this purpose railways are necessary measures. The sanitary condition of the Punjab is not what it might be, but an immense improvement has been effected. It must always be remembered that if sanitation is pushed too quickly, we are liable to arouse the hostility of the people. There is at present an important step being taken in the inauguration of the organisation of malarial investigation at Amritsar. This will in all probability be attended with the amelioration of endemic malaria and with the lessening of the severe epidemic malaria which visited the province from time to time. A great deal of relief has been effected by the distribution of quinine to the people. Last year 6,000 lbs. of this drug were distributed, and there is now no village throughout the province where the inhabitants cannot get quinine. We can deliver quinine to the homes of the people, but we cannot make them

take it. Extensive drainage schemes are under consideration for the improvement of sanitation at Amritsar and Delhi, and it is hoped that they will be the means of reducing sickness and mortality in both these cities. Finally, a great deal has been done to relieve the people from the affliction of plague, but unfortunately, as in the case of sanitation, great apathy is exhibited towards the measures that it is desired to introduce. The problem is certainly one where co-operation of the people is necessary. In conclusion, I must say that I see no general anxiety on the part of the people to improve the sanitary conditions under which they live. The worst thing that could be done to advance sanitation would be to force Western methods upon the people."

The Hon'ble Malik MUBARAZ KHAN spoke in Urdu, a translation of which is as follows:—"Your Honour, I beg respectfully to submit that it is our foremost duty to express our candid opinion irrespective of race and creed.

"Before dealing with the subject I have in view, I wish to say that I find nothing to criticise in the amended Financial Statement which is the result of the untiring labours of the Hon'ble Mr. MacLagan. I, however, feel the desirability of inviting Your Honour's attention to making efforts, in future, to find means to raise the pay of low paid-employees of the Civil and Irrigation Departments and the village teachers. Men with incomes insufficient for their maintenance are goaded by necessity to have recourse to unfair means,—a fact borne out by the conduct of most of the men in service. The practice of making money by unfair means has now become general. We have, therefore, to see whether or not it is beneficial for the Government and the people to allow the practice to continue as it is. I am of opinion that no evil can be beneficial either to the Government or the people. I had a mind to deal with the subject at some length, but having regard to certain matters I content myself with a brief reference to it. My object in referring to men addicted to corruption is to invite Your Honour's attention to the subject with a view to get the evil remedied in time as far as possible, and thus to free the Province from this unholy practice. A defect if checked in time can be expected to be easily prevented, otherwise it becomes difficult to uproot.

"At some future time I shall lay before Your Honour the measures which in my humble opinion are necessary for remedying the evil. If the Government cannot raise the wages of the men in question in the existing state of its finances, I beg to invite the attention of Your Honour and the Hon'ble Members to the income-tax which can possibly be made to improve the receipts by the exercise of a little more care in the method of its assessment. The existing arrangement for assessment of the tax is not sufficient. The Tahsildars have too many responsible duties to perform, and they cannot be expected to get sufficient time to do this work. I am of opinion that either their duties may be curtailed to enable them to find sufficient time for assessment of the tax or that an extra Tahsildar may be appointed in each district to do the work throughout the year. A considerable increase can thus be effected in the receipts from the tax, and the Government will get the means to improve the salaries of the subordinate civil and other establishments. It will not be out of place to say that the existing system of instruction obtaining in the villages is not so useful. The system may be so changed as to meet at least two requirements,—firstly, to enable the boys to understand the Patwaris' work and, secondly, to learn *Bahi Khata* accounts well."

The Hon'ble Mr. DIACK said:—"I should like to say a few words in reply to the remarks made by the Hon'ble Nawab BAHRAM KHAN on the subject of the length of the term of settlement in Punjab districts and on the impropriety of raising the revenue in those parts of the province in which there is no justification for such a course except a rise in prices,—remarks which were endorsed by the Hon'ble Mr. SHADI LAL. As regards the term of settlement, it is 30 years

in the districts in the east of the province and 20 years in those of the west and centre, and I take it that what the Hon'ble the Nawab would like would be to see the term raised to 30 years in the west also. We are all of us, I think, in sympathy with the Hon'ble Member in his desire to see a longer term adopted, and I will try briefly to explain the obstacles in the way. The limit which Government has fixed to the land revenue demand is one-half the net income to the proprietor from his land; that is, Government has declared its intention to take no more than that proportion of the net assets, and in practice it takes a good deal less. Now in the east of the province where the term of settlement is 30 years the demand approximates fairly closely to half assets; in Gurgaon, for instance, the demand which has recently been imposed is from 85 to 90 per cent. of the estimated net income to the proprietors. But in the districts in the west of the province, such as Dera Ghazi Khan and Rawalpindi, the demand is not more than two-thirds of half the proprietors' net income. The explanation of this is historical. The districts in the east of the province came under British rule 100 years ago; those in the west only 60 years ago. Obviously it is impossible to give districts which are paying a very low demand the same term of settlement as those that are paying a full one, and I understand the policy of Government to be to gradually raise the pitch of the assessment in the western districts until it approximates to that of the districts in the east, and when that point is reached to give them long-term settlements also.

"I may mention that even when a short term of settlement is fixed to start with it is always possible to lengthen it if circumstances are found to justify such a course. I may mention Ambala, which was given a 20 years' settlement. Towards the end of the term its circumstances were examined, and it was found that they did not justify an increase of the land revenue. The new settlement was accordingly postponed for 5 years. That was 5 years ago. Last year we again examined its circumstances and it was decided to put off the new settlement 5 years more. That is, by the end Ambala will have had practically a 30 years' settlement.

"I now turn to the question of the rise of prices as bearing on increase of revenue. I understand the Nawab to argue that, although the prices of agricultural produce have risen, the price of cattle and of the other requirements of the agriculturist for the cultivation of his land have also risen, and have risen so much as to swallow up the profit from the increased price obtained for the produce; consequently there should be no increase in the revenue. In dealing with this argument I will explain how we frame our demand. I have said that half the net income of the proprietors is the measure of our demand, and so what we have got to do is to form an estimate of their income. In every district in the Punjab we find a large area, generally one-half or more of the cultivation, in the hands of the owners; tilled, that is to say, by the owners themselves with their own cattle. It would be difficult to form an estimate of the net profits of such cultivation. But the other half of the land is let out to tenants on rent, and we can get at the amount of the rent. Rent is sometimes paid in cash, sometimes it takes the form of a share of the produce,—say one third or one-fourth of the grain on the threshing floor. We can make an estimate of the value of the rent, either in cash or kind, and that estimate is the basis of our assessment. Now it is perfectly true that the price of cattle and of the other requirements of the cultivator have risen, and if they had risen to such an extent as to more than counteract the increased profit obtained by the cultivator we should expect to find the landlord saying to his tenant—'I know that you no longer have the return you used to have, and so I will reduce your rent.' Supposing the rent to have been Rs. 6 an acre 20 years ago we should expect him to say that it would now be reduced to Rs. 4 or so. Where the share of the produce used to be one-third we should expect now to find one-fourth. But the contrary is the case. It is more common to find that the rent has risen from Rs. 6 to Rs. 10, or that the share of the produce taken remains the

same, or has been slightly increased. Consequently it follows that the net profit to the owner has risen in spite of the increased cost of cultivation, and that the Government demand may therefore fairly be raised also.

"The Hon'ble Nawab also referred to the duration of settlement proceedings. We are all in agreement with him that everything should be done to diminish the time devoted to the revision of the record, which is the most laborious part of settlement work and the most troublesome to the people. And I think I may claim that something has been done in this direction. I, may instance the Ludhiana settlement. It was commenced in October 1908, and the record work is now almost finished. I confidently hope that the settlement will be finished within  $3\frac{1}{2}$  years of its commencement, and that the greater part of the settlement staff will have been dispersed at the end of the third year, leaving only the Settlement Officer and his head-quarter staff to remain for the remaining half year."

The Hon'ble Lala HARI CHAND said:—"Your Honour, in rising to speak in this Council to-day we are instinctively led to offer our thanks to the Government for the privilege we are called upon to exercise, although I am afraid I have to say that the application of the Indian Councils Act, 1909, in relation to this Province has fallen short of our expectations. We cannot forget that we have got somewhat less than our more fortunate brethren in other Provinces, but still it is a great expansion that has taken place. The old Council consisted of only 9 Members of whom not less than 5 were nominated. It was purely a legislative body with no power of Budget discussion or interpellation. The present Council is thus a great improvement upon its predecessor on account of the increased number of its Members, in its privilege of Budget discussion, interpellation, and power of moving resolution and supplementary questions.

"We are all profoundly thankful to the Government for all these privileges. Need I assure Your Honour that we non-official Members shall always be found ready for service and co-operation with whole-heartedness. We are all Members of one Council, and are in no sense a Chamber divided into a party in power and a party in opposition. We may, therefore, look forward to the future with confidence. We all share the hope expressed by Your Honour at the Inaugural Meeting that our new Council will link together the people and the Government in a bond of closer and more intimate union and serve as a medium for conveying to the Government what the feelings and the wishes of the people really are, and to the people a fuller and clearer insight into the objects and reasons of the policy and measures of the Government.

"Coming to the Finance Statement, we must congratulate ourselves on the comparative prosperity of our Provincial finances. We also offer our congratulations on the improvement of Judicial services recently sanctioned by the Secretary of State, and I have no doubt similar consideration at the hands of the Government will be accorded to the Executive Branch of the Provincial Civil Service.

"Your Honour, while higher positions in service receive consideration every now and then, it is but rarely that poorer classes of the public service receive any consideration. With high prices ruling, and higher standard of living, it is hard for these classes to make two ends meet, and I pray that the earliest opportunity may be taken to improve their pay, position and prospects. While the improvement of Judicial section of the Service was in consideration the process-serving people received no consideration. This is the class whose actions are responsible for delay in execution of decrees and justifying the statement that a creditor's difficulties begin when he gets a decree.

"While on the subject of execution of decrees, without going into the details of the reasons which cause the delays,—a fact well known and admitted

on all hands,—I trust some effort will be made at an early date to improve the law and practice of execution of decrees.

"Your Honour, for the expenditure side of the accounts, I may say that none of the increased allotments for the various items in the public accounts will be better appreciated than the increased expenditure sanctioned for Education, Sanitation and Agriculture.

"The expenditure under Education, we find, has risen from 12½ lakhs to over 22 lakhs. This is, no doubt, a very satisfactory increase, but we have to bear in mind, as the Hon'ble Finance Member has admitted in his explanatory memo., that this advance in educational outlay really dates from year 1905-c6, and the expenditure since that day has been stationary. It is to be fervently hoped that the new year will witness increased allotment for education.

"Your Honour, education can never do harm. It is essential for so stationary and unprogressive a people as our masses. In their avocation, be it industrial or agricultural, intelligence plays a very, very small part. Some education will make them more intelligent and fit to accept modern improvements. Our Shastras say 'that of all boons, the boon of learning is the most glorious.'

"I cannot imagine a loftier and nobler task than to impart rudiments of knowledge to a people sunk in ignorance. But I need hardly urge this point as I am confident that the Government will spend more and more for education as funds permit.

"Your Honour, it is quite true that considerations of economy are paramount this year, but at the same time I shall be hardly doing my duty if I do not urge before the Council the need of increased allotment for technical education. It is really unfortunate that our Province did not figure at all in the list of the various schemes undertaken by different Provincial Governments for the encouragement of technical education. If a College of Technology is needed for the United Provinces, it is all the more needed for the Punjab. I am perfectly aware that I need hardly labour this point, for Your Honour's deep interest in the industrial development of the country is well known. No one has laboured more earnestly and whole-heartedly in this direction than Your Honour. I note with satisfaction that the Agricultural College at Lyallpur is now fully equipped and capable of training a large number of people, and the people fully appreciate the efforts of the Government for the improvement of agriculture.

"Your Honour, the Hon'ble Mr. Tollinton told us that, owing to the fact of the Province being behind in the preparation of a full programme of sanitary works, only a portion of the assignment of 4 lakhs a year to Provincial funds for sanitary purposes could be spent. It is, however, gratifying to learn that in the ensuing year a greater part of the 4 lakhs will be spent on sanitary objects as originally intended, and we are thankful for the provision being made for the drainage of the low-lying Dhabs in Amritsar and the Bela in Delhi. In this connection I may urge the claims for improved sanitation of Multan, where the drainage requires completion and low pools of stinking water require reclaiming.

"In the end I thank Your Honour and Council for listening patiently to my words. The task of Government is always a difficult one, trials and tribulation come thick and sharp, but nonetheless the progress of the country is assured through the mutual co-operation of official and non-official classes."

The Hon'ble Mr. MUHAMMAD SHAFI said:—"Your Honour, it is somewhat unfortunate that the very first year when, in this Council, Hon'ble Members have an opportunity of exercising the high privilege of discussing the Provincial Budget, we should have to face what is, at present, a deficit amounting to Rs. 9,27,000. But a comparative study of the figures

contained in the estimates under discussion and those relating to the income and expenditure of the past five years makes it abundantly clear that the excess on what may be called the debit side of our account is not at all due to the Provincial resources having suffered from any of those alleged causes which a certain class of politicians in this country are accustomed to proclaim as lying at the root of what they are pleased to describe as 'the deep and deepening poverty of India.' On the contrary, a glance at the figures relating to the provincial share, leaving out the balances, discloses an increase of nearly 85 lakhs in the revenue and receipts since the year 1905-06. And the figures contained in Appendix (A) to the revised Financial Statement, giving the total income of the Province derived from land revenue alone, show an increase of nearly 39 lakhs during the same period. It is clear, therefore, that the deficit in the new estimates is not due to any diminution in the revenue and receipts, but is traceable to an increase in the provincial expenditure. To me it is satisfactory to contemplate that the proposed increase in the expenditure does not involve the placing of any additional burden on the shoulders of the people, but is to be met by a corresponding reduction of the balance in the hands of the Provincial Government. On the basis of the Revised Estimates for 1909-10, the Provincial balance amounted to Rs. 25,27,000, and, should the income for the ensuing year not exceed the estimated figure, the Government will, at the end of the year, still have a balance amounting to 16 lakhs in hand, or 6 lakhs over and above the minimum prescribed for this Province. Bearing in mind the fact that accumulation of large balances is absolutely unjustifiable on any economic principle, the proposed reduction of this year's balance by the expenditure, in the coming year, of a considerable portion thereof in improving the Provincial administrative machinery and other useful channels, is, of course, satisfactory. And should we, as I hope we may, find at the end of the year 1910-11 that the Provincial revenues and receipts, now under discussion, were somewhat underestimated and the real income turns out to be larger, resulting in the wiping-off of this deficit, the Government will have justifiable reason to congratulate itself. Moreover, I feel bound to say that had the Government of India treated our Province a little more liberally and placed it, as regards apportionment of income, on the same level with some of the more fortunate Indian Provinces, there would, even now, have been no deficit staring us in the face, and all cause for anxiety on our part would have been absolutely removed. In this connection I venture to express my emphatic agreement with what the Hon'ble Mr. FENTON said in the memorable speech delivered by him during the Budget debate in the Imperial Council.

"Under these circumstances, I propose, within the short time at my disposal, to invite the attention of this Council to certain important heads of expenditure, and in connection therewith to submit, for the consideration of Government, my humble views regarding certain matters of grave importance to the branches of administration connected with these heads. But before doing so, I desire to acknowledge my obligation to the Hon'ble Members in charge of the various heads of the Budget Estimates generally and to the Hon'ble Mr. MACLAGAN particularly for the very able and lucid explanatory speeches delivered by them at the last meeting of the Council—speeches which have enabled us to obtain a more or less thorough grasp of the financial situation in the Punjab and the reasons which underlie the proposed increase of expenditure in certain departments of the Provincial administration.

"Your Honour, under the 3rd head, 'Land Revenue', there has been a steady increase of expenditure since 1905-06, and even in the proposed estimates one notices an increase of nearly one lakh of rupees over the Revised Estimates of the current year. The expenditure under this head embraces the charges of district administration, the cost of keeping up the land-records and the expenditure on settlements. Any very great reduction under the first and second of these heads would, I freely admit, be nothing short of false

economy. As was rightly observed by the Hon'ble Mr. DOUIE, 'it would be a mistake to grudge expenditure on land-records'. If keeping the land-records up to date and, from time to time, properly and thoroughly well revised will result in obviating frequent recurrence of land revenue settlements and in shortening their actual duration when they are held, no well-wisher of the loyal and sturdy agricultural classes of this province will grudge this item of expenditure. Land revenue settlements are not only costly to Government, but they are many times more costly to the people, as those who are cognizant of what actually goes on during the settlement operations know full well. Moreover, the anxieties of, and the troubles and inconveniences to, the rural population consequent upon these operations are so multifarious and produce such undesirable consequences that, as a sincere well-wisher of the British Government as well as of the people, I wish earnestly to impress upon the Government the very great desirability of holding settlement operations at longer intervals than is the case at present. You would, thereby, not only be making the loyal agricultural majority truly grateful, but would be lessening the opportunities of certain class of agitators for creating mischief amongst this class. Speaking for my own district I am sure the people would greatly appreciate the kindness of Government if the proposed settlement of Lahore were postponed for a few years. Moreover, the Government should be careful in the selection of its settlement *amla*, and should not recruit it, as I am afraid at present is generally the case, from those classes who have little or no sympathy with the agriculturists, and whose wholesale employment as the agency for carrying out settlements frequently results in material injury to the class which has well been characterized by Your Honour as 'not only the back-bone, but almost the whole frame of the Indian Army.'

"Another head under which a noticeable increase in expenditure as compared with the Revised Estimates for 1909-10 is proposed in the Budget is that of 'Forests'. The additional allotment of Rs. 74,000 towards the increased expenditure under this head would have been far more usefully spent had the money been given to the Department over which the Hon'ble Mr. GODLEY presides. The priceless gift of education is pre-eminently one of those invaluable blessings of the British Raj for which the Indian peoples can never be sufficiently grateful to the enlightened race under whose just and beneficent rule our country is making steady and satisfactory progress along the path of material and general prosperity. And I gladly recognize that, in the past years, our Province has made satisfactory advance in matters educational. The following table amply demonstrates the truth of this statement :—

YEAR.	Number of Colleges.	Number of College Students.	Number of High Schools.	Number of High Sch. of Students.	Number of Primary Schools.	Number of Primary School Students.
1880-81	1	54	22	411	1,846	97,181
1890-91	8	592	53	14,349	2,025	92,261
1900-01	14	1,429	118	28,700	2,682	117,420
1908-09	16	2,491	106	35,915	4,008	172,714

"But there are, as regards the educational needs of this Province, two important points to which I crave leave to invite the attention of Government. The teaching staff of our Schools is so ill-paid and their prospects so poor that men of real ability are unwilling to enter the Educational Department and turn for livelihood to more lucrative professions or departments of the public service. Unless the scale of pay of the teaching staff is raised, this unsatisfactory state of things is bound to remain and, in consequence, the educational interests of

the Province will continue to suffer. The other point about which I would like to say a few words on this occasion is connected with the education of the masses. It seems to me to be essential to the welfare of the Punjab that continuous efforts should be made to bring elementary education within reach of the mass of our population, particularly rural, and gradual steps should be taken so as to make it ultimately free. The illiterate zamindar is, at present, owing to being immersed in the depths of ignorance, a victim of many a fraud which, even with elementary education, he would successfully combat, and is, moreover, incapable of taking that intelligent and higher interest in agriculture which he would do if he were not so utterly ignorant of what goes on around him. Elementary education, while benefiting its recipient in many ways, does not, in his mind, create any distaste for his ancestral occupation. It is only young men who have passed beyond the elementary stage, but have stopped short of the higher rungs in the ladder of education, whose minds, becoming unsettled, are alienated from their hereditary occupations.

"The time at my disposal being very short there is only one more head on the side of expenditure to which I propose to invite the attention of the Hon'ble Members. Under head (19)—Law and Justice—Government proposes an increase of over two lakhs in the expenditure. This, as the Hon'ble Mr. TOLLINTON informed us, is mainly due to the reconstitution of the Judicial Service recently sanctioned by the Secretary of State. The administration of justice, on enlightened principles, constitutes one of the brightest features of the British Rule in India, and has not only inspired all law-abiding citizens with a feeling of deep gratitude, but has won for our Government sincere affection of all loyal subjects. And I gladly and fully recognize the liberality of Government in giving to my countrymen a continuously increasing share in all the various grades of Judicial Service, high and low. While giving expression to the feeling of unbounded trust which we all have in the integrity of Judicial Administration and voicing the gratitude felt by my countrymen, I am anxious to invite the attention of Government to two unsatisfactory features in the existing state of things, so far as our Province is concerned, and in connection with the points which I am about to put forward, I would ask Hon'ble Members to bear in mind that the greater portion of the money allotted to this head goes towards the salaries of the Judicial officers, and that efficiency and selection of officers from the class mainly concerned with the administration of justice in the Punjab constitute the very quintessence of economy.

"Your Honour, I have never been able to gauge the wisdom of the policy hitherto adopted in the Punjab of ignoring even deserving members of our Provincial Bar in making appointments to the Judicial Service. In all civilized countries and even in the other Provinces of India the principle of recruitment, from amongst the ranks of the local Bar, for judicial appointments is recognized as in the fitness of things, and is, more or less, invariably acted upon. This province has, hitherto, been the only unfortunate exception in this respect. The appointment of honest and able Legal Practitioners, on the recommendation of local authorities and with the approval of the Chief Court, as judicial officers would not only improve the Provincial Judiciary, but would be an effective instrument in raising the tone of the Bar itself. One often hears various complaints against members of the Punjab Bar—their standard of honesty is very low; they encourage litigation; they are at the bottom of a great deal of the political mischief which goes on around us; *and so on*. And I am afraid these complaints are not entirely groundless. But when the members of a profession have no prospects of official recognition of their merits to look forward to, when their very natural aspirations for a share in the branch of administration for which they are, by their education and training, best fitted are absolutely ignored, is it surprising that a great many of them should allow their abilities and energies to run riot? Place before them some prospects of official recognition of merit and good work done and the result will not only be beneficial to the Bench and



the Bar alike but you will be winning over to your side men who possess real influence amongst the people and can prove of immense benefit to the cause of law and order.

"Your Honour, the agricultural classes constitute the bulk of the population of this province and have the most important and the most valuable stake in its affairs. In the great majority of cases which come into our law courts, either one of, or both, the parties are agriculturists. Under these circumstances it is but a truism to say that a system of administration which did not give to the agricultural communities their proper share of judicial appointments is bound to work material injury to the welfare of the people and to result in great hardship to the majority of the population. I would, therefore, urge upon the Government the necessity of making a thorough inquiry into the exact position of affairs existing at present and of taking steps to remove the just grievances of agricultural communities in connection with this matter of vital interest to the people concerned as well as to the administration itself.

"Your Honour, of all the members of this Council, I happen to occupy a position which has enabled me to make a thorough study of the character, the feelings and the aspirations of both the rural and urban portions of the population in the Punjab. Being myself a member of an agricultural tribe and belonging to a land-owning family in a village which may truly be said to be on the border-land between rural and urban tracts—but, at the same time, having, for professional reasons, spent the best years of my life in the centre of the urban area and come into close and daily contact with members of agricultural as well as non-agricultural classes from every part of this province, I have had exceptional opportunities of closely observing the existing situation. And as a result of that thorough study and close observation, I venture to assure the Government that a prosperous and a contented agricultural population is an asset in the hands of Government, the value and strength of which, in the cause of law and order, it is impossible to exaggerate. Give them the rights and privileges which are their just due and you need entertain no anxiety whatsoever for the permanence and stability of the existing conditions. While recognizing that every class in the country is entitled to consideration at the hands of the Government, I have addressed this appeal on behalf of our agricultural population as I sincerely feel that, in introducing western institutions, enforcing western doctrines of freedom of contract and bowing before the supposed intellectual superiority of the urban portion of the population, the interests of the agricultural classes have, in the past, been often neglected to the detriment not only of the majority of the inhabitants of this province, but, I am afraid, of the interests of the Government itself."

The Hon'ble Mr. TOLLINTON said :—"I have not very much to add to the debate, but I wish to speak on one or two points that have been raised in connection with the Departments of which I am Member in charge.

"As regards Police we have been asked whether Government is prepared to relieve municipalities of police charges. The Government of India have accepted the principle that the police should be provincialized, but for financial reasons they are at present unable to give effect to the scheme. It is quite obvious that the Local Government cannot bear an additional 3 or 4 lakhs on this account quite outside the terms of the provincial settlement. We have been asked to wait, and there the matter must at present rest. The case of Lahore, where the municipality has been relieved of police charges, is of course a special one. Lahore is the head-quarters of Government, and the duties of the municipal police are largely due to the presence of Government. The cases of Delhi and Amritsar stand on a different footing from Lahore.

"Turning to sanitation I stated on a previous occasion that the reason why the full grant of 4 lakhs was not spent on sanitation last year was that we were behind hand in the preparation of a programme of sanitary works.

And why was this so? Sanitation is not a thing that can be imposed from above. It must come from below. It is owing to the apathy of municipalities and the representatives of the people that we have lagged behind, and it is to them that we look to lay their needs before us, and to see that necessary sanitary measures are carried out to the extent of our financial ability. Though I cannot say that I take as dark a view as the Hon'ble Colonel BATE, still this apathy has been most marked in the past, but the interest which Hon'ble Members have to-day manifested in sanitary objects may be taken, I hope, as an indication that the old attitude is passing away. Turning to individual sanitary schemes the Hon'ble Khwaja M. YUSAF SHAH appears to think that Amritsar is being badly treated. We are giving a lakh for the reclamation of the Dhabs and my own personal view as a member of the Sanitary Board is that Amritsar wants and has been getting if anything more than its fair share. As for the Delhi Bela I may inform my friend the Hon'ble Mr. SULTAN SINGH that detailed plans are being prepared and the Military have been asked to co-operate. As far as can be seen there is no reason, except possibly the financial one, why the scheme should not be taken up as a whole, and rapidly pushed to a conclusion."

The Hon'ble Mr. GODLEY said :—" I have listened with much interest to the pleas urged by various Hon'ble Members on behalf of additional expenditure on education, and as I myself am frequently engaged in advocating the same cause, I have little to add to what they have said except to signify agreement generally. While recognising, however, that there are many useful ways in which more money could be spent on this object, I also fully realise that an exaggerated idea should not be entertained of what can be done by Government. The co-operation of the public is also necessary. In primary education alone Government is asked to do three things—to raise teachers' salaries, to open more schools, and to make education free. The total cost would be prohibitive ; I do not think that any Government could undertake such expenditure without authorising local bodies to impose rates for the purpose. Popular education in Europe is free because it is compulsory ; to remit all fees before extending educational facilities would be, in my opinion, putting the cart before the horse. When I succeeded to my present post in 1907 I found that a number of large projects involving heavy expenditure were then in the air, some of them showing a disregard for ways and means. A number of estimates, costing many lakhs, were being framed for the buildings of Government High Schools, and no one seemed to know where all the money was to come from. In those days, however, money was plentiful, but things have changed since, and the educational programme has had to be largely curtailed. Still, some advance has been made, in science teaching, for instance. The Hon'ble Mr. SHADI LAL draws attention to the fact that no Professor of Economics has been provided for Government College. A mathematical post has recently been added, and the staff cannot be increased wholesale without expenditure which at present it is impossible to provide for. The buildings of Government High Schools are much in need of extension, and it would be very desirable if more could be done by private donations and assistance, and if we occasionally heard of the gift of a science laboratory or a boarding house. The other great need is that of increasing the salaries of teachers, especially in the lower grades. When the wages of ordinary labour is about eight annas a day, an efficient teacher can not be got for eight or ten rupees a month. In extending primary education popular co-operation can take the form of opening schools under the grant-in-aid system, and religious and other societies which undertake this task will accomplish much that Government cannot carry out unaided. I do not think that I need add any remark except to repeat that I entirely sympathize with the views expressed by the Hon'ble Members who have spoken on behalf of education."

The Hon'ble Mr. GORDON said :—" There are just a few points in the remarks made by the Hon'ble Members to which it seems necessary for me to refer. The Hon'ble Sardar PARTAB SINGH has suggested the construction

of bridges over the Beas and Sutlej. The question is one which will no doubt be further considered in better times. The Hon'ble Nawab BAHRAM KHAN has suggested that something more might be done for the protection of Dera Ghazi Khan. It would not be easy to imagine a more difficult problem than that which the town of Dera Ghazi Khan has presented to the Punjab Government. On the one hand, sympathy for the unfortunate and deserving people of the city urges it to protect the city from the river at any cost. On the other hand, justice to the general tax-payers of the province makes it essential to place some limit to the expenditure that should be incurred. The Hon'ble Colonel BATES has referred to the Canal Department as a 'sanitary measure.' I quite agree with him, but I have never known canals called by that name before. Even of a sanitary measure, however, you can have too much. An excessive dose of medicine may poison the patient, and an excessive use of canal water is bound in the Punjab to lead to very serious consequences. The Punjabi comes of a race that has been bred in a dry country out of which it is hard to get a living, and it is conditions like these which grow men of the best physique and the best intelligence. In a steamy atmosphere and in a soil water-logged by excessive irrigation the race would deteriorate. The remedy is to use canal water sparingly, and to utilise the sub-soil water to the greatest possible extent."

The Hon'ble Mr. DOUIE said:—"At the last Council meeting I said all I have to say about the curtailment of settlement operations and the lengthening of the term of settlement. My Hon'ble friend, Mr. DIACK, has dealt with the rise of prices as a ground of enhancement of land revenue. I have nothing to add to what he has said except to give the Council one illustration. I have been dealing lately with the assessment of one of the richest tahsils in the Province, and I have found that, while prices have risen 21 per cent., rents have risen 50. It is perfectly futile in face of these figures to argue that the cost of agriculture has risen faster than the price of the products of agriculture.

"My Hon'ble friend, Mr. SHADI LAL, has remarked that the people of the Province are ready and willing to pay the Government its share as land revenue. He was echoing an old and honourable tradition of the Punjab peasantry that 'the farmer prospers who pays its just dues to the Sarkar.' But if the Hon'ble Member means that the people are ready to pay the Government its full share, I can only say that the Government has not the faintest intention of asking them to do so within any time of which this Council need take cognizance. We are bound by a long tradition of moderation laid down by the first English ruler of the Punjab, Sir John Lawrence, and reasserted emphatically many times by its greatest revenue officer, Sir James Lyall. We have heard lately about an excursion into the realm of truth. If any Member of this Council is willing to undertake that somewhat toilsome journey and will examine the land revenue assessments of all the districts of the province, I shall not be astonished if he finds that on the average Government does not take more than two-thirds of its share. Indeed if he informed me at the end of his journey that he had made up his mind that Government did not take more than half its lawful claim, I should not be very greatly surprised. If as he went along he enquired what the price of land was expressed in terms of the land revenue, he would find a great deal to support the latter estimate. The last land revenue report has not yet been published, and such official publications meet with perhaps well-merited neglect. But it shows that the average price of the land sold last year in the Punjab was 120 times the assessment of that land. I am not as good a mathematician as many Members present, but I may tell you as a fact that when a man gives 100 times the land revenue for a piece of land, it means that he believes it to be assessed not at half, but at one-sixth half net assets.

"One Hon'ble Member has suggested that the settlement staff is not recruited from the proper classes. I think if he will ask Mr. DIACK to show him the lists of Settlement Tahsildars, Naib Tahsildars and Naib Tahsildar candi-

dates, he will find that every class—and each class should have its share of posts—is in fact properly represented.

The Hon'ble Mr. MACLAGAN said :—"I do not propose to touch on more than one subject, namely, the pay of the subordinate Government establishments,—a matter to which allusion has been made by more than one Hon'ble Member. The question has been for some time, and still is, under the consideration of Government, which recognizes the hardship which the rise in prices has occasioned to men on low pay. At the same time there are considerable difficulties in the way of the grant of relief. We have been waiting to see if the promised enquiry by the Government of India into the rise in prices would be carried out, and if other Governments confronted with the same difficulties would take any action. We have also had to bear in mind the criticisms levelled in 'another place' at the increased cost of our Civil Establishments generally, and we have had to consider the immense cost of even small items of relief. We have indeed done not a little already and at no little cost. We have largely increased the pay of the lower grades of the Police and we have fixed a minimum, a humble one it is true, but still one higher than before prevailed, for the pay of teachers. We some years ago increased at a cost of three lakhs per annum the pay of the subordinate judicial and revenue establishments, and fixed a minimum pay for muharrirs. During the recent scarcity we spent 12 lakhs on the grain compensation allowances for officials drawing less than Rs. 30 per mensem; and last year we improved the pay of inferior and menial posts at a cost of more than a lakh of rupees. To carry out any large measure of relief for subordinate establishments generally will be a most expensive move, and I cannot promise that any such relief will be possible. All I wish to point out is that with the likelihood of so serious and so urgent an item of expenditure hanging on us we should be very careful before launching into other classes of recurring expenditure, however attractive and philanthropic their objects may be.

"I venture to congratulate this Council on the practical character of the measures suggested to Government in to-day's debate. They cannot all be accepted—indeed some are diametrically opposed to others,—but they will all receive careful consideration, as they have been made, I believe, with the object of benefitting the Province and its people; and after all that is what we are here for."

His Honour the President :—"I also wish to join in congratulating the Hon'ble Members of this Council on the evidently sincere desire they have shown to co-operate with the Punjab Government in its Sisyphean task of rolling the ball of finance up the hill which leads to prosperity. I only hope that as a result of these combined efforts we may be able to show at the end of the year a very much better balance than our present figures indicate. The Budget is finally checked by the Finance Department of the Government of India, and they take a very hard, I may almost say a severe, view on all points. They have to go by the actual figures, and I believe generally that they take the probable minimum of receipts. A good rabi harvest is almost ensured, and if a good kharif harvest follows, we shall probably be well over that minimum. However, I must at the same time point out that should such be the case, it will not be the time to embark upon any large schemes involving recurring expenditure. It is the recurring expenditure that involves a drain that may land a Government of any country in serious difficulties, and may render it impossible to carry out other schemes of equal importance.

"Some Hon'ble Members have urged the necessity of raising the pay of our subordinate establishments. I fully sympathize with them, and I have been forced to the conclusion that sooner or later—sooner I hope—we shall have to take up the case of all men drawing less than Rs. 50 a month. Prices have risen enormously in this Province, and there does not seem to be the least chance of a fall. Most of us are wheat-eaters, and Punjab wheat has now entered into com-

petition with other rivals in the world's markets. It is now everywhere well known, and it is not likely that its price will ever really fall. Indeed, it seems probable that the price of wheat will be maintained at somewhere about 12 seers to the rupee. At any rate, notwithstanding a good crop last rabi, a fine kharif and the promise of an excellent harvest now it shows no sign of falling below this figure. As soon as our revenues are sufficient to meet the increased expenditure, one of the first things we shall take into consideration will be this question of men on low pay. I believe in the long run it would be advantageous in every way to raise the pay of such men. Some Hon'ble Members have mentioned that low pay inevitably leads to dishonesty. Not everywhere, but still some dishonesty does exist. Yet it is very difficult to pull up a man drawing, for instance, Rs. 8 a month as a school-master if he takes a little more than he is lawfully entitled to. When we pay them better salaries I think we may expect a very much higher standard of morality, and this will do good both to the community and to the Government.

"There have been one or two questions which the Hon'ble Members in charge have not noticed, and I suppose it falls to me to say what I can in answer to questions put by Hon'ble Members.

"First of all there is the matter of bridges. The Punjab Government has not forsaken the public in the matter of the new railway bridges. We consulted the Manager, North-Western Railway, and we pointed out to him the extreme desirability that the new bridges should be provided with roadways, but I am sorry to say this could not be done. It was then proposed that we should pay for the maintenance of the old bridges and use them as roadways; but on looking into the matter we found that this would not do. We ascertained that the water-way had become so narrowed and the draught in the river so increased that the first big flood would in all probability sweep the old bridge clean away. I tried to enlist the assistance of the Army Department, but they came to a private arrangement with the railway, and have secured a roadway at rail level, which, however, is only to be used for military purposes. I am still conferring with the Manager of the North-Western Railway, and there are one or two things that might perhaps be done. The ferry trains on both the new bridges might be made more frequent, which ought to be possible with a double line, and heavy agricultural machinery might be allowed to use the roadway that will exist on the bridges. The railway management unfortunately require the existing roadway on the bridge over the Ravi for their doubled lines. With the opening of the Upper Chenab Canal our present bridge-of-boats will be unable to cope with the increased traffic between Shahdara and Lahore. The railway board decline to help us out of the difficulty, but I hope the Provincial Government may yet be able to meet the cost of a proper bridge across the Ravi.

"In the matter of our judiciary I observe with pleasure that two Hon'ble Members, who are also prominent members of the Bar and an ornament to our Council, have recognized the liberality of a pauper Government in providing two lakhs of rupees for the improvement of the Service. They have urged the claims of their profession in our appointments, but I am not prepared to say that the existing salary which we pay to the subordinate judiciary service would attract many leaders of the Bar. Fortunately for themselves they are able to derive more satisfactory incomes from the grateful peasantry and others to whose assistance they minister. The attention of the Hon'ble Judges of the Chief Court will be invited to the question of appointing Munsifs from the local Bar. But I must point out to the Hon'ble Members that a great many of the gentlemen at present appointed were appointed by competition. Generally they are men who have attained high intellectual maturity at an early age, and would

probably have risen high in the legal profession, for it is the pick of the University that enters for the open competition for the posts of the Extra Assistant Commissioner and Munsif.

"The question of the raising of the Chief Court to a High Court has often been mooted, but it is a matter which lies within the powers of the Government of India. So far as I am aware there has never been any local objection to the proposal. I would point out, however, that 'High Court' with all its establishments is an expensive luxury, and will cost a great deal more than our present Chief Court.

"I am very glad to see that the Hon'ble Mr. SHADI LAL has emphasized the defects of our present system of fixed assignments, and I am still more happy to see that this feature has attracted the attention of the Hon'ble Finance Member of the Government of India. It was put before him very forcibly by the Provincial representative who was able to voice the needs of the Province at Calcutta, and I cannot help feeling that after that clear and logical exposition of the needs of the Province,—an exposition which forced from the Hon'ble Member, for the Revenue and Agricultural Department an admission that the claims of this Province appeared to be the most urgent,—we shall derive some benefit in the not distant future. At any rate let us hope so, and in the meantime make the best we can of the revenues which are at our command.

"The Hon'ble Nawab BAHRAM KHAN, whom I may congratulate on the eloquent appeal he made on behalf of his own head-quarter station, has referred to the case of Dera Ghazi Khan. I have a very old acquaintance with that station. I was in Dera Ghazi Khan in 1878 when a flood washed away the whole of the cantonment, and the abandonment of the place was seriously discussed. It has had a long lease of life since then. We are again asked to deal with the question of abandoning the station of Dera Ghazi Khan, but it is quite impossible to say what the Indus may do this year. If it leaves the western bank and moves to the eastern bank, we remain where we are. Government has already spent 24 lakhs in its efforts to save the city, and though our sympathies cannot be withheld from the people whose homes—the homes in which their ancestors have lived for generations—are now threatened by the river, yet at the same time we have to consider, as the Hon'ble Mr. GORDON has said, the condition of the rest of the Province. The civil station is at present secure and in good case. To move the civil station will cost at least 17 lakhs. It is quite conceivable that the Indus might play one of its startling jests and when we get our materials to the new site leave the old site high and dry. We have done what we could. We have provided ample accommodation in the old barracks of the Dera Ghazi Khan cantonment for all those unfortunate people who during the present summer may lose their homes and belongings. We have acquired land for the city and station if they have to move. We have also taken measures to provide water on this site and to start some building. But it is hardly reasonable to ask the Government to move at once merely because the city may or may not be spared. In most such cases an appeal is made to the charitably inclined throughout the world, and I really think that the condition of Dera Ghazi Khan is such that something might be done in this way, and that the charity of the whole Indian Continent might be asked to subscribe to the needs of a community which stands in need of its sympathy.

"I really do not know that I need trouble you any more. Sanitation is a matter we have been pressing most earnestly, and in the matter of quinine distribution we are at the present moment more efficient than any other Province in India. We have now ready 4 million tablets of quinine besides quinine in powder. We distribute them a one pie each, so that for the amount of one

anna any man who wants can obtain enough quinine for one month's treatment. The masses should be helped by the educated classes to understand the use of quinine.

" Finally, I must not myself transgress our rules. I again congratulate all the Hon'ble Members on the practical nature of their remarks and the great desire they have shown to assist the Government of their Province and finally upon the terseness with which they delivered their speeches."

### ADJOURNMENT.

The Council adjourned to Friday, the 6th May 1910.

LAHORE:

*The 8th April 1910.*

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S. W. GRACEY,

*Secretary, Legislative Council.*

PUNJAB GOVERNMENT.  
LEGISLATIVE DEPARTMENT.

*Abstract of Proceedings of the Council of the Lieutenant-Governor of the Punjab, assembled for the purposes of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 to 1909.*

THE Council met at the Council Chamber, Government House, Lahore, on Friday, the 6th May 1910, at 11 A.M.

PRESENT :

His Honour Sir LOUIS WILLIAM DANE, K.C.I.E., C.S.I., I.C.S.,  
Lieutenant-Governor, *presiding*.

The Hon'ble Sardar SUNDAR SINGH, MAJITHIA, Sardar Bahadur.

The Hon'ble Mr. JOHN CORNWALLIS GODLEY, M.A.

The Hon'ble Malik MUBARAZ KHAN.

The Hon'ble Mr. JAMES McCRONE DOUIE, C.S.I., I.C.S.

The Hon'ble Mr. EDWARD DOUGLAS MACLAGAN, M.A., C.S.I.,  
I.C.S.

The Hon'ble Mr. ALEXANDER HENDERSON DIACK, C.V.O., I.C.S.

The Hon'ble Mr. JAMES CURRIE.

The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI.

The Hon'ble Khan Bahadur Khwaja YUSAF SHAH.

The Hon'ble Mr. WEBSTER BOYLE GORDON, C.I.E.

The Hon'ble Sardar PARTAB SINGH, AHLUWALIA, C.S.I.

The Hon'ble Khwaja AHAD SHAH.

The Hon'ble Rai Bahadur HARI CHAND.

The Hon'ble Rai Bahadur SHADI LAL, M.A., B.C.L., Barrister-at-Law.

The Hon'ble Khan Bahadur Mian MUHAMMAD SHAFI, Barrister-at-Law.

The Hon'ble Mr. ARTHUR MILFORD KER, C.I.E.

The Hon'ble Lieutenant-Colonel HENRY SAMUEL PRICE DAVIES.

The Hon'ble Lala SULTAN SINGH.

The Hon'ble Colonel THOMAS ELLWOOD LINDSAY BATE, C.I.E.

The Hon'ble Mr. HENRY PHILLIPS TOLLINTON, B.A., I.C.S.



[Khawaja AHAD SHAH; Mr. Douie.]

## QUESTIONS AND ANSWERS.

10' The Hon'ble Khawaja AHAD SHAH asked :—“(1) Would the Government be pleased to state, for the information of the Council, the number of income-tax-payers in the Province, with an amount realized separately, during the years 1902-03, 1903-04, and also for 1909-10?”

“(2) Would the Government be pleased to state after comparing the returns whether the annual increase over the income of the lowest income-tax-payers levied in 1903-04 is due to trade development or to defective system of assessment, keeping in view the concessions granted by the Royal Coronation Proclamation?”

The Hon'ble Mr. DOUIE replied :—“(1) The number of income-tax-payers in the Province, with the amount realised during the three years mentioned in the question, was :—

Year.		Number of assessees.	Amount of tax.
			Rs.
1902-03	...	42,973	11,16,869
1903-04	...	18,409	8,63,362
1908-09	...	20,022	9,72,768

The number of assessees having incomes less than Rs. 1,000 in 1902-03 was 26,614, paying Rs. 3,06,784. The figures do not include the tax levied by deduction from salaries or the tax on the profits of companies.

“(2) Collections of income-tax ('Other sources') from the lowest class (Rs. 1,000 to Rs. 1,250) have been :—

Year.					Rs.
1903-04	...	...	...	...	1,46,157
1904-05	...	...	...	...	1,53,842
1905-06	...	...	...	...	1,46,757
1906-07	...	...	...	...	1,51,461
1907-08	...	...	...	...	1,56,568
1908-09	...	...	...	...	1,58,598

When reviewing the returns for the triennium ending 1907-08 the Financial Commissioner, Sir James Wilson, observed that he thought that, 'owing to the steady growth in the prosperity of the Province, the accumulation of capital, and the expansion of trade and communications, an increase in the number of assessees and in the amount of income-tax realised is to be expected; but care should continue to be taken not to impose the tax on new assessees until it is certain that their income exceeds the minimum taxable'. In the orders of Government it was noted that 'the general increase in the proceeds of the tax may fairly be taken to reflect a corresponding increase in the prosperity of the Province'. The reference to the concessions granted by the Royal Coronation Proclamation is not understood."

// The Hon'ble Khawaja AHAD SHAH asked :—“Would the Government be pleased to state, for the information of the Council, the percentage of civil appeals rejected by the Appellate Courts of the Punjab during the last five years, and if it exceeds, is it due to the ignorance of the litigants or to incite-

ment and bad counselling, and would the Government consider the advisability of relieving its dear subjects from unnecessary expense in this direction ?”

The Hon'ble Mr. TOLLINTON replied :—“ The average percentage of civil appeals rejected in all civil courts in the Punjab during the last five years is 62·85. The variations during the quinquennial period have been slight, the maximum percentage of appeals rejected being 63·49 in 1905, and the minimum 62·21 in 1904. The Hon'ble Member enquires whether this large number of useless appeals is due to the ignorance of the litigants, or to incitement and bad advice, presumably by members of the legal profession. Perhaps ignorance is hardly the right word to use. The habit of appealing is largely due to the inherent gambling spirit of the ordinary litigant, who is prone to attribute every adverse decision to fate or dishonesty on the part of the Judge. He therefore appeals in the hopes of finding a kinder fate or a juster Judge. Members of the Bar will doubtless have numerous instances in their experience of this crass tenacity of the litigant, even in face of an overwhelming preponderance of authorities and the transparent equity of the opposing claim. Government are keenly alive to the evil. Are we not met in Council to-day to pass into law an extension of the principle of arbitration, and is not a Bill for constituting *panchayats* for petty civil cases at the present moment under the consideration of the Hon'ble Judges of the Chief Court. Government can do no more. We cannot abolish the honourable profession of the Bar. And though it may be the case that some of its weaker members cannot say no to, and perhaps even pander to, the gambling spirit of their clients, it would not be practicable to establish a free Government board of legal advice. Though this idea, I am informed, is not unknown in parts of Scotland, here in India we must, I think, look to our *panchayats* and arbitrators, to the spread of education, to the beneficent advice of our leading men, to check this gambling spirit and eradicate it from our midst.”

12. The Hon'ble Mian MUHAMMAD SHAFI asked :—“ Is the Government aware of the existence of organised associations of gamblers in grain at Rohtak, Lyallpur and other places who enter into *badni* transactions, i.e., advance bargains of purchase and sale of grain on a future date without any intention of delivery, worth lakhs of rupees; nominate two or three men from amongst themselves as a *panchayat* on the date so appointed to fix the rates at which settlement is to be made irrespective of rates prevailing in the *bazar*, without any authority from outside vendors and vendees and excluding them from the assembly at the time of the appointment of the *panchayat*; on the members of the *panchayat* declaring the rates at which settlement is to be made, enter into their own respective books credit and debit of the price of sales and purchases of grain at the rates so settled; and then, in case of supposed losses, sue outside customers as if they themselves had been acting only as agents on their behalf? And in view of the utter immorality of these transactions and of numerous instances of dishonesty and fraud resulting and litigation arising therefrom, to which, I believe, attention of Government has already been drawn, is the Government considering the desirability of placing before the Legislature a Bill to declare these transactions illegal and void ?”

The Hon'ble Mr. TOLLINTON replied :—“ The question is one of considerable intricacy, and I trust I may be pardoned if I state what has been the attitude of the Government towards *badni* or wagering transactions in recent years. The Hon'ble Member's question refers specifically to grain-gambling, but the same principles apply in the case of rain and opium gambling, towards the suppression of which the attention of Government has already been directed. In the year 1898 the Hon'ble the late Mr. Madan Gopal forwarded

a Bill to the Punjab Government for the suppression of rain-gambling. This was subsequently amplified to include all wagering transactions with the exception of horse racing, and it rendered penal the keeping or frequenting a common gaming-house, that is to say, a house in which gaming and wagering transactions went on for the profit or gain of the person keeping or using such a house. The Bill followed the lines of Bengal Act III of 1897 and Bombay Act IV of 1887 as amended by Act I of 1890. It was ascertained that since these Acts became law systematic rain-gambling had been put a stop to in Bengal and Bombay. A proposal was made to the Government of India in November 1900 that legislation on these lines should be undertaken in the Imperial or the Provincial Council. The Government of India were, however, of opinion that the evil of rain and opium gambling was not generally prevalent in the Punjab, and the particular form of betting which it was desired to check was well known in Calcutta and elsewhere and could be carried out without appliances at any place and at any time. In 1908 the Commissioner of Delhi again raised the question of the suppression of opium-gambling, but in view of the previous decision of the Government of India, the Punjab Government decided that no action could be taken unless there was a stronger public movement for its repression. Later, in 1909 a large number of petitions were received from the Karnal district, and the Punjab Government only recently asked for opinions as to whether the time for suppressing by law this form of wagering had not arrived.

"These opinions are now under the consideration of Government, so that the Hon'ble Member's question has been put at a most opportune time.

"The matter is also attracting attention elsewhere, and I would invite attention to the resolution recently moved by the Hon'ble Sayad Ali Nabi in the United Provinces Council to the effect that 'this Council invites the President to appoint a committee to enquire into the evils of opium, grain and silver gambling in Agra and other places, and to consider whether any, and if so, what, steps can be taken to put a stop to it.' The Hon'ble Member who replied on behalf of Government stated that His Honour the Lieutenant-Governor of the United Provinces had instructed him to say that he considered some action was necessary, but that before Government could be committed to any definite course it was obligatory that there should be much more complete information before Government than they possessed at present, and it was very necessary that Government should be satisfied that public opinion was in favour of legislation on the subject.

"It is probable that the evil of grain-gambling is not so prevalent in the Punjab as it is in the United Provinces. In the Punjab it exists mainly in the Delhi division. It may be that public opinion in the Punjab is not ripe for the legislation in question. But in the meantime I am to say that Government would welcome any suggestions from the Hon'ble Member as to the exact form the legislation should take. It may be doubted whether the evil could be checked by merely providing that wagering in a common gaming-house should be an offence. Such wagers may be made anywhere. They are frequently not made in common gaming-houses. The fact that they were made in an open market would not convert that market into a common gaming-house. How then is the evil to be checked? The Hon'ble Member's question would appear to hint at the necessity of amending the Contract Act. Under section 30 of that Act agreements by way of wager are void. This is good so far as principals are concerned. The difficulty comes in when the middleman poses as an agent. The Chief Court have held in F. B. 79 of 1908 that not only can an agent in a *badni* transaction recover cash payments made on behalf of his principal and any other liabilities enforceable by law, but that he can also recover on credit and debit entries in a third party's books. This undoubtedly gives an opening to fraud and frequent cases of hardship must occur.

[ Mr. Tollinton; Mian Muhammad Shafi; Mr. Douie. ]

"To conclude then, I may say that while Government are keeping a watchful eye on the development of this particular type of gambling, the question is one of great difficulty, and the best way of coping with it, should public opinion demand its suppression, requires full consideration. Any suggestions that the Hon'ble Member may have to make on this difficult subject will be welcomed."

13 The Hon'ble Mian MUHAMMAD SHAFI asked:—“(1) Will the Government be pleased to state for the information of the Council—

- (a) the total area of agricultural land belonging to agricultural classes in the Province sold during the five years preceding the coming into force of the Punjab Alienation of Land Act and the average price per acre of the land thus sold; and
- (b) the total area of such land sold during the five years following the passing of the said enactment and the average price per acre realised by these sales; and
- (c) the total area of such land sold in 1908-09, together with the average price per acre?

“(2) Will the Government be pleased to state—

- (a) what was the total area of land belonging to agricultural classes mortgaged during the five years preceding the passing of the Punjab Alienation of Land Act, and what was the area, of similar land, previously mortgaged, redeemed during the same period;
- (b) what was the total area of similar land mortgaged during the five years following the coming into force of the said enactment, as well as of the area redeemed during the same period; and
- (c) what was the total area similarly mortgaged and redeemed during the year 1908-09?”

The Hon'ble Mr. DOUIE replied:—“The Punjab Alienation of Land Act came into force on 8th June 1901. Before that date I do not think it is possible to distinguish between sales by members of agricultural tribes and by other persons. I shall therefore give the total cultivated area sold irrespective of previous ownership, and shall for the sake of convenience give the annual averages for the first two periods:—

*Total area sold.*

		Acres.
Average of 5 years ending 1900-01	...	173,142
Average of 5 years ending 1905-06	...	150,191
In 1906-07	...	125,059
In 1907-08	...	131,865
In 1908-09	...	138,109

*Price per cultivated acre.*

		Rs.
Average of 5 years ending 1900-01	...	78
Average of 5 years ending 1905-06	...	75
In 1906-07	...	98
In 1907-08	...	97
In 1908-09	...	107

*Price how many times the land revenue.*

Average of 5 years ending 1900-01	...	75
Average of 5 years ending 1905-06	...	86
In 1906-07	...	101
In 1907-08	...	108
In 1908-09	...	119

[ *Mr. Douie; Mian Muhammad Shafi; Mr. Godley.* ]

"The best test of the rise or fall in the value of land is the multiple of the land revenue which it fetches. In the four years ending 1905-06 the sales by members of agricultural tribes exceeded the sales to members of agricultural tribes on the average by 1,041 acres yearly. In the three years ending 1908-09 on the contrary the sales to members of agricultural tribes have exceeded the sales by members of agricultural tribes on the average by 7,284 acres yearly.

"The figures for total cultivated areas mortgaged and redeemed are in acres :—

	<i>Mortgaged.</i>	<i>Redeemed.</i>
	<i>Acres.</i>	<i>Acres.</i>
Average of 5 years ending 1900-01 ...	327,065	235,395
Average of 5 years ending 1905-06 ...	203,527	197,118
In 1906-07 ... ..	227,737	319,044
In 1907-08 ... ..	249,573	325,173
In 1908-09 ... ..	259,798	327,629

"I may add the following figures :—

"In the four years ending 1905-06 the area mortgaged by agricultural tribes on the average exceeded the area mortgaged to members of agricultural tribes by 27,668 acres yearly, but the average area redeemed by members of agricultural tribes was 177,951, the net gain being about 150,000 acres yearly. The corresponding average figures for the three years ending 1908-09 are :—

	<i>Acres.</i>
Excess of mortgages by over mortgages to members of agricultural tribes ... ..	17,542
Area redeemed by members of agricultural tribes ...	301,687
Net gain ... ..	284,145

"For fuller information the Hon'ble Member may refer to Statements V and VI appended to the Land Revenue Administration Report for 1908-09. The figures no doubt exclude some mortgages contravening the provisions of the Act of which mutation was refused."

14/ The Hon'ble Mian MUHAMMAD SHAFI asked :—"Will the Government be pleased to state for the information of the Council—

- (a) the total number of appointments comprised in the Provincial Educational Service, and how many of these are at present vacant ;
- (b) of the appointments at present held by members of that service, how many are held by Christians, Hindus and Muhammadans, respectively ?

"Will the Government be pleased to inform the Council—

- (a) what is the total number of appointments to which members of Subordinate Educational Service, 1st class, are eligible, and how many of these are at present vacant ;
- (b) of the appointments in the 1st grade at present held by members of that service, how many are held by Christians, Hindus and Muhammadans, respectively ?"

The Hon'ble Mr. GODLEY replied :—"The total number of appointments comprised in the Provincial Educational Service is thirty-three, including a temporary appointment. One of these, a Vice-Principalship of the School of Art, is vacant. Of the thirty-two appointments filled at present, twenty are held by Hindus, including Sikhs, eight by Muhammadans, and four by Christians, two of whom are the Inspectresses of Schools.

[ Mr. Godley; Mr. Shadi Lal; the President; Seth Adamji Mamooji; Mr. Tollinton. ]

"The total number of appointments in the 1st class of the Subordinate Educational Service is twenty-four, all of which are now filled. The substantive holders of these posts are twelve Hindus (including Sikhs), eight Christians and four Muhammadans; the temporary holders are fourteen Hindus, six Christians, and four Muhammadans."

15/ The Hon'ble Mr. SHADI LAL, after having been permitted by His Honour the PRESIDENT, asked:—"Will the Hon'ble Member for Education, Mr. GODLEY, kindly inform the Council whether the appointments are made on the principle of merit and educational qualifications or on the grounds of caste, race, or creed."

His Honour the PRESIDENT said that he would answer the question himself, and the following reply was given:—"To the best of my belief the primary consideration in making Government appointments is that the person appointed should be fit to hold the appointment. Subject to that, Government tries to distribute the appointments among qualified persons equally according to the various castes and creeds of the community."

16/ The Hon'ble Seth ADAMJI MAMOOJI asked:—"Will the Government be pleased to state, for the information of the Council, that since the formation of the Rāwalpindi Municipal Committee, how many Hindu and Muhammadan members have been respectively elected from time to time, and what endeavours have ever been made to restore the balance and protect the interest of the party insufficiently represented by nominating members belonging to that party?"

The Hon'ble Mr. TOLLINTON replied:—"The constitution of the Municipal Committee of Rāwalpindi was last revised in 1895 when the number of elected members was fixed at 14 and the nominated members at 7. Since 1895, 42 Hindus and 30 Muhammadans have from time to time been elected to the committee. Since 1895 the Hindus have always held a majority among the elected members. The members at present are 9 Hindus and 5 Muhammadans. The paucity of Muhammadan members came to the notice of Government twice since 1908, and enquiries were instituted as to the possibility of increasing their numbers. The result of those enquiries has been to show that there are very few Muhammadan gentlemen in Rāwalpindi City qualified and willing to serve, while the leading men of the place who have made it what it is are Sikhs and Hindus. In these circumstances it has not been possible to allot members merely on a numerical basis. The matter will not be lost sight of, but it rests with the Muhammadans themselves to raise their status and prove their fitness for municipal government."

17/ The Hon'ble Seth ADAMJI MAMOOJI asked:—"Has it come to the notice of the Government that dissatisfaction prevails among the people on account of the judicial officers while on tour fixing the dates and places of hearing the cases of persons residing at great distances from those places to their great inconveniences? Will the Government be pleased to remove this general complaint?"

The Hon'ble Mr. TOLLINTON replied:—"This matter has also been referred to the Local Government for opinion in connection with the report of the Decentralization Commission who in paragraph 670 of their report observe:—"Against the benefits of touring may be set the inconvenience to parties in criminal and revenue cases and their witnesses and lawyers who may have to follow an officer's camp, sometimes into remote parts and to villages in which there is little accommodation." As a fact, the hearing of a case in the immediate neighbourhood to which all the parties belong should prove an actual convenience, provided that tours are arranged with this end in view. This is, of course the wish of Government, and a careful officer would of course see that

[ Seth Adamji Mamooji ; Mr. Godley. ]

his cases were fixed according to the localities in which he proposes to tour. No orders on the subject have issued except in the case of persons to be placed on security for good behaviour or to keep the peace. Such persons are privileged to be tried near their homes. In other cases it is taken for granted that cases will, as far as possible, be heard in the localities to which the parties belong. There is, however, one danger to which Government is fully alive, and that is this. An officer with a heavy pending file will often have to fix the cases months ahead, before he has arranged his tours. If due notice is not given of the place of hearing, considerable inconvenience is caused. Our superior courts are however fully alive to the danger. The Chief Court have ordered that in all cases not heard at the ordinary place of sitting the *place* of hearing as well as the date shall be entered in the record. In

Page 263, Judicial Circulars.

Punjab Record, Revenue, No. 8 of 1902, the Financial Commissioner in setting aside an *ex-parte* order passed without due notice observed that revenue officers should make programmes of their tour and adhere to them, and if they vary their tours, timely notice should be given, and in the absence of a note to this effect, it should be presumed that notice has not been given. Government then is of opinion that with the safeguards above mentioned little inconvenience should arise, and the opportunity will be taken on considering the Decentralization Commission's proposals to consider also whether any general orders for the due observance of those safeguards should issue. In any case it would be most undesirable to stop the tours of the revenue and executive officers who are now the only officers who make regular tours."

Page 55, Judicial Circulars.

18. The Hon'ble Seth ADAMJI MAMOOJI asked:—"Is Government aware of the dissatisfaction prevailing amongst the Muhammadan community in regard to the proposed scheme of studies for the Punjab schools? Has the article 'Muhammadans and proposed scheme of studies for Punjab schools,' which appeared in the "*Observer*" of 19th March 1910, received the attention of the Government; if so, what steps is the Government going to take to remove the cause of dissatisfaction?"

The Hon'ble Mr. GODLEY replied:—"The question asked by the Hon'ble Member relates to a revision of the scheme of studies for Punjab schools, which has been under consideration for several years, and the necessity for which is generally admitted. The proposals for a new scheme have been discussed at two educational conferences, and were submitted for opinion last year to societies and private individuals connected with education throughout the Province, including the various headmasters' associations. The replies received indicated general approval of the principles on which it was proposed to base a revision, and there is no evidence to show that the Muhammadan community is opposed to the new scheme. The Lahore Anjuman Islamia, for instance, which was one of the bodies consulted, had little to say except that Punjabi should not be an optional alternative with Urdu. The article in the "*Observer*" to which the Hon'ble Member draws attention is an anonymous communication in which the writer seeks to prove that the object of the new scheme is to injure Muhammadan interests. The article, which is incorrect in many particulars, does not appear to deserve serious consideration. I should add that the new scheme is still on the anvil, and any advice which the Hon'ble Member or his constituents may wish to offer will receive careful attention."

19. The Hon'ble Seth ADAMJI MAMOOJI asked:—"Will the Government be pleased to state; for the information of the Council, how many Board Schools in the Punjab are provided for teaching Sanskrit and in which there is no provision for teaching Arabic?"

[ *Mr. Godley ; Mr. James Currie ; Colonel Davies.* ]

The Hon'ble Mr. GODLEY replied:—"The number of Board Schools in the Province in which Sanskrit or Arabic is taught is twenty-nine. Sanskrit together with Arabic is taught in three schools, Sanskrit in twenty, and Arabic in six. Provision for the teaching of Sanskrit and Arabic is made by the Boards when there is a demand for such teaching and when funds permit. Comparatively few pupils study either of these languages, and I understand that the unpopularity of Arabic as a subject for examination is partly due to the Arabic test in the University Entrance Examination being a somewhat severe one."

### LAW OF ARBITRATION IN THE PUNJAB.

The Hon'ble Mr. JAMES CURRIE moved that the Bill to amend the Law of Arbitration in the Punjab be taken into consideration. He said:—"The Arbitration Act gives greater facilities than at present exist for private arbitration; it lessens the necessity for the intervention of a court, and consequently reduces the work of the courts. It gives the parties to a contract, in which it is stipulated that arbitration shall be the method of settlement of any dispute arising therefrom, the means of setting the arbitration in motion when a dispute does arise, and it gives arbitrators the necessary powers to pursue their duties to a finish. Ordinarily there is no necessity for the intervention of a court, but it is provided that the Court shall in mercantile phraseology be 'the in-case-of-need,' if required. Under the Civil Procedure Code the law pays little heed to the doings of parties and of arbitrators till they come to court; indeed, it is only when the efforts of arbitrators to agree to an award prove futile or when one or other of the parties refuse to recognise an award that the court is approached, that is, the Code does not help the parties until they come to its courts. The Bill remedies this defect; it provides a Code which if followed step by step secures an award, it provides that in certain cases the parties may appeal to the court for assistance and the arbitrators for guidance, the court may give help in the substitution of arbitrators and umpires, it may help by a decision on a special case stated, it may aid where justice is in danger owing to misconduct, and it may stay the proceedings of a party who tries to shirk his agreement to arbitrate. In other words, it places in the hands of the people a simple, effective and inexpensive method by which they can settle their disputes privately. The Arbitration Act, IX of 1899, is not altered or modified in any way. The Code it lays down, under which arbitrations will be held, will, in every detail, continue to be exactly the same in the local areas to which the Government of the Punjab may apply it as it is now at Calcutta, Bombay and elsewhere where the Act operates. It is only that in the Punjab it shall be at the pleasure of the parties to a contract to stipulate the method of the arbitration. If they desire that the ultimate settlement of a dispute shall be obtained under the Civil Procedure Code as at present, they need not provide for anything more than that arbitration shall be resorted to. On the other hand, if they desire Act IX of 1899 be applied, they will insert a clause in the agreement to that effect."

The motion was put and agreed to.

The Hon'ble Lieutenant-Colonel DAVIES said:—"Before I go on to criticise the Bill I wish to point out the difficulties with which private Members have to contend in discussing it. Notice that the Bill would be discussed at to-day's meeting was only received two days ago, and with that notice the opinions which had been received on the Bill were circulated for the first time. The time which has been allowed for consideration is far too short. It may be said that considering the Bill consists of only one clause the time allowed



[ *Colonel Davies.* ]

was sufficient, but the principle applies whether the Bill consists of one clause or of many. Under rule XI when Bills are reported on by Select Committees they are required to be in the hands of Members a week before the date of the meeting of Council at which they are to be considered; it seems even more necessary that Members should be allowed ample time for the consideration of a Bill, such as the one now before the Council, which has not been subjected to the criticism of a Select Committee.

"Under rule XXXII any Member who wishes to move an amendment of a Bill must give notice of his intention at the next previous meeting or send notice to the Secretary three days before the day of the meeting, but under the circumstances of this case it is impossible to move an amendment unless the rules of business are suspended.

"As regards the Bill itself, I understand that at the present stage criticism is rather as to its general provisions than as to its details. The Arbitration Act of 1899, which this Bill proposes to amend, lays down the procedure to be followed in arbitration when parties to a contract have agreed in writing to submit any disputes regarding the contract to arbitration. That Act has been in force in the Presidency towns and in certain other local areas for over ten years, and is said to have worked well. The Hon'ble Member in introducing this Bill stated that the Arbitration Act had gained the confidence of business men, because it utilised the commonsense of the expert, that the administration of justice under it is prompt, and the awards it legalises are final. Under such circumstances it seems to me that very strong reasons are required to induce the Provincial Council to amend an Act of the Government of India, especially when such an amendment is proposed by a private Member. It must be remembered that the Arbitration Act has never been introduced into the Punjab, and that we are not called upon to amend an Act which has been proved to be defective, but we are asked to amend an Act, which has been eminently successful wherever it has been applied, before it is put in force. What are the reasons why the Act is considered unsuitable for the Punjab. The only reasons I can find are that it is stated that its provisions would apply to many agreements made between Indian traders where such provisions would be neither suitable nor acceptable. I hardly think this is sufficient reason for the amendment of an Act of the Government of India which is not in force in the Punjab and which, as far as we are aware, there is no immediate intention of applying to the Punjab. We have not been told that the Chamber of Commerce or the Punjab Trades Association have applied to have the Act extended to the Punjab, nor are we aware that they desire it to be amended as proposed in the Bill if it is to be applied: their opinions on the Bill do not appear to have been taken as they are not among those circulated.

"Under the Act of 1899 all agreements in writing to submit differences to arbitration are treated as 'submissions' and the arbitration proceedings follow the procedure of that Act. The Bill before the Council proposes that when the Act is applied to the Punjab such agreements in writing shall only be considered 'submissions' when it is expressly stated in the agreement that the provisions of the Act shall apply to such agreement. The passing of this Bill would therefore mean that (on the Act being applied to, say, Delhi) an agreement for arbitration would be governed by different law according as the agreement was executed in Bombay or Delhi. This would open up a large field for litigation. In addition the Bill does not effect what it proposes. I would refer to section 3 of the Act, under which the provisions of the Arbitration Act apply to every arbitration commenced after the date of the application of the Act under any agreement or order previously made. The Bill does therefore not touch any agreement for arbitration made before the Act is put into force.

"The Bill, I consider, should be postponed or rejected. I do not wish to be understood as being opposed to the principle of arbitration, but I am opposed to the law of arbitration being amended without any sufficient reason. Why should not the general law be accepted, and parties, if they wish it, be allowed to contract out of the Act, which I suppose is possible, instead of compelling them, as this Bill does, to contract into the Act?"

The Hon'ble Mr. SHADI LAL said :—"I might say at once that I quite agree in what has been said by the Hon'ble Colonel DAVIES. I am personally of the same opinion and endorse the remarks made by the Hon'ble Member.

"I think there are obvious reasons why this Bill should not be passed. The Indian Arbitration Act has been found quite satisfactory in the Presidency towns and in other towns to which the Act has been extended. It will be observed that the Act applies *proprio vigore* to the Presidency towns and Rangoon, and power has been given to the Local Government to extend the same to other towns. It has been extended to Karáchi and other important towns like Cawnpore. In these towns no difficulty has been experienced yet, or at least we have not heard of any difficulty. If Delhi or any other town in the Punjab apply for the extension of the Act, extend the Act as it is, but there is no reason why there should be any differentiation between the Punjab and the rest of India as far as this matter is concerned. This is one reason why I say that the definition should not be altered.

"Another reason is that the Indian Arbitration Act, IX of 1899, is an Act of the Imperial Legislature, and unless strong grounds are made out, we should not tinker with an enactment of Imperial Council.

"As far as I can see there is no proof to show that the definition of the word 'submission' is faulty. Sir David Masson says that it is undesirable to alter the Act. The Secretary, Trades Association, Simla, says that his Association is unable to give any opinion unless more time is granted. From the opinions which are given so far it does not appear that there are any strong reasons in favour of this amendment.

"The third reason why this Bill should not be passed is that the general law of arbitration in India will be soon modified and embodied in a separate enactment.

"In the Code of Civil Procedure passed in 1908 the law in connection with arbitration instead of being placed in the body of the Code has been put in a separate schedule. I understand that the Law Member of the Viceroy's Council has pointed out that the object of this is that the law of arbitration in India would be taken out of the Code and one Act applicable to the whole of India would be passed and that Act would be on the lines of the Indian Arbitration Act.

"There are one or two other reasons which induce me to think that the definition of 'submission' should not be altered. The definition as given in the Indian Arbitration Act is taken *verbatim* from an Act of Parliament, and has worked satisfactorily in England.

"There will, moreover, be some difficulty in working the amended definition with section 3, proviso 1. The proviso runs thus:—

'Provided that nothing in this Act shall affect any arbitration pending in a Presidency town at the commencement of this Act or in any local area at the date of the application thereto of this Act as aforesaid, but shall apply to every arbitration commenced after the commencement of this Act or the date of the application thereof, as the case may be under any agreement or order previously made.'

[ *Mr. Shadi Lal; Lala Hari Chand; Mian Muhammad Shafi.* ]

"Now in this section we have to find out a nominative for the verb 'shall apply.' The only nominative I find are the words 'nothing in this Act' which will reduce the provision to an absurdity. The Legislature however intended to say that 'the Act shall apply to every arbitration . . . .'. Now it is true that if the arbitration has already begun at the commencement of the Act, it will not be affected by the provisions of the Act. But if an agreement has been entered into before the commencement of the Act and the arbitration has begun after the commencement, then according to my interpretation of the proviso the Arbitration Act will apply to such an arbitration and there will be no option to the parties to proceed either under the Arbitration Act or the ordinary law of arbitration. It seems curious that for future agreements there should be option given to the parties, but as regards past agreements no such option should exist. There will be some other difficulties in working the Act if the Bill becomes an Act, and I therefore submit that either the Bill should be dropped altogether or that it be referred to a Select Committee and in the meanwhile opinions may be invited from the various trade associations and public men. I do not think there need be a great hurry in passing this Bill."

The Hon'ble Lala HARI CHAND said :—"Your Honour,—In supporting Hon'ble Mr. SHADI LAL I beg to submit that the Bill was sent to Mr. Maynard, Commissioner of Multán division, for opinion, and he has declared that he sees no objection to it. But I do not see the opinions of the merchants and factory owners if he was pleased to consult them."

"The Bill is a reproduction of section 4 (b) of the Arbitration Act, 1899."

"The merchants and factory owners at Lyallpur, Gojra and Multán generally enter into such agreements, and for this purpose they go to petition-writers, not to a lawyer. That being the case, the petition-writers would not be so cautious as to enter into the agreement the condition now proposed to be added, and hence in majority of cases the provisions of the Arbitration Act would be of no avail."

"I have not been able to find the necessity of the Arbitration Act being extended to the Punjab. I do not know if application for its extension is made from Delhi and other places."

The Hon'ble Mian MUHAMMAD SHAFI said :—"The position, as I understand it, is that while, on the one hand, the Hon'ble Colonel DAVIES is entirely opposed to the Bill, my Hon'ble friend Mr. SHADI LAL, on the other hand, is not opposed to the Bill being considered, but is of opinion that the Bill itself as introduced in this Council ought to be referred to a Select Committee, so that the *pros* and *cons* of the question as advanced might be taken into consideration, and any inconsistency that might exist in this measure as compared with the Indian Act might be removed after the opinions of competent bodies affected by the Bill have been obtained."

"So far as the view taken by the Hon'ble Colonel DAVIES is concerned, I am afraid I am unable to agree. I think the Bill itself is not only a harmless measure, but is calculated to secure considerable benefit to the classes whom it will materially affect: Under the existing state of things the Indian Arbitration Act is in force in Bombay, in Calcutta, in Madras, and I am not aware whether it is in force in Karáchi, but if it is, then the argument which I am now going to advance for the consideration of the Hon'ble Members will derive greater force. An agreement is entered into between a merchant residing in Bombay, Calcutta, or Madras and a merchant in Lahore, or Delhi submitting matters in dispute between them to arbitration. And if the Delhi merchant were to go to Bombay and sue the Bombay merchant there, or if the Bombay merchant were to come to

[ *Mian Muhammad Shafi ; Lala Sultan Singh ; Sardar Partab Singh.* ]

Delhi, different laws will undoubtedly apply. But this argument is, to my mind, in favour of this enactment rather than against it, for the reason that this Bill creates consistency and brings about uniformity of law. For on the Bill being passed into law, the Bombay merchant will be in a position to say to the Delhi merchant that he enters into the agreement only on the condition that the Indian Arbitration Act shall apply, thus placing the two on an equal footing. And in that case whether the Bombay merchant comes to Delhi or the Delhi merchant goes to Bombay, they will be governed by the same law, *i.e.*, the Indian Arbitration Act. It is clear, therefore, that this measure is calculated to remove the existing diversity of laws and in consequence is a desirable measure.

"The Hon'ble Colonel DAVIES complains that the Hon'ble Members had such a short notice of the Bill that it was impossible for them to have made up their minds about it. Well, I do not know whether this statement is due to the fact that the Hon'ble Member was not present at the meeting of the 6th April, but I remember that a copy of the Bill was sent to me before that meeting. I believe the Bill sent to all of us then, so that it has been in our hands for nearly one month. Moreover, after its introduction the Bill was circulated to all the Commissioners for opinion, and in due course ought to have reached the hands of the Hon'ble the Commissioner of Jullundur.

"Your Honour,—It has been said that there is no proof that any demand exists for this measure. But in view of the facts that the President of the Chamber of Commerce has introduced this measure, and that there is practical unanimity of opinion in favour of the Bill amongst the various commercial houses in Lahore and other places with the exception of Sir David Masson, the argument advanced loses a great deal of its force.

"Moreover, it is obvious that the Local Government will extend the Act only to those places where it finds there is a demand for it. In the interests of uniformity of law and, at the same time for the purpose of allowing a certain amount of liberty of action to the people concerned, I am of opinion that the Bill should be considered. If they want to come under the rules laid down in the Indian Act, they should be given a chance of doing so. However, I entirely agree with my Hon'ble friend Mr. SHADI LAL that there is room for improvement in the Bill, and it would be very much better if it were to be referred to a Select Committee, so that they might remove all possible defects in it and after careful consideration reintroduce the Bill in the Council."

The Hon'ble Lala SULTAN SINGH said:—"I have heard all the arguments in favour of and against this Bill. So far as the question of extending the original Arbitration Act to the larger commercial towns of this Province is concerned, I am of the opinion that there is a demand for it. This Arbitration Act has stood the test of several years in various Presidency towns, and there is reason for its provisions being extended to the whole of the Punjab or to the larger commercial towns of Delhi and Amritsar, as it would tend to make for uniformity of law everywhere. I agree with what the Hon'ble Lala HARI CHAND has said. If therefore this variation in the interpretation of the word 'submission' creates any disparity in application of the Act, then of course the Bill should not be passed. I think that the law of arbitration should be uniform throughout. So far as the Indian mercantile community is concerned, they have not had sufficient opportunity of considering this Bill."

The Hon'ble Sardar PARTAB SINGH said:—"I do not wish to say anything in connection with this measure, but would suggest that a lot of difficulties will be removed if this Bill were referred to a Select Committee where all matters would be thrashed out."

[ *Mr. MacLagan; the President.* ]

The Hon'ble Mr. MACLAGAN in supporting the Bill said:—"As the Bill has been introduced by a non-official Member, the Council have not been provided with the usual full official information as to its origin.

"The reason for our proposing to have the Arbitration Act at all in the Punjab is that we were asked for it by the Karachi Chamber of Commerce, and afterwards by the Delhi Chamber. Then as regards the particular form which the Bill has taken—by which submissions are independent of the Act unless specifically brought under it—we have followed a suggestion made by the Government of India, who presumably based their suggestion on experience gained in the Presidency towns.

"There is no hurry whatever about the Bill, and our only reason for proposing to dispose of it at this one sitting was that we did not apprehend that the Council would have any difficulty in accepting it as it stood. If Hon'ble Members prefer, and the Hon'ble PRESIDENT sees no objection, the Bill can quite well be referred, as proposed, to a Select Committee."

His Honour the PRESIDENT said:—"I must first point out with reference to some remarks which have been made in Council, and also with reference to Sir D. Masson's opinion to which of course we attach great importance, that no Act of the Imperial Legislature can be amended or altered in a Provincial Council without the sanction of the Government of India. That sanction was duly sought and obtained.

"The alteration to the Arbitration Act now before the Council is also an alteration suggested by the Government of India, and it was proposed with a view to protect the interests of people who were not perhaps able to protect themselves. I believe from what I gathered on my recent tours through the Province that there is a widespread desire for the introduction of the Arbitration Act in cases of persons having large export dealings. If the suggestion now made was adopted that the Local Government should simply extend the provisions of the Arbitration Act to the Province, every body would be forced to come under the Act, and this might not be desirable.

"Hon'ble Members at any rate need not be alarmed that we are in any way trenching upon the prerogatives of the Government of India. The Bill has been introduced by a private Member who from his position as President of the Chamber of Commerce may be expected to know the wishes of the trading community, and this fact lends additional weight in favour of the passing of the measure. The Bill however is not one to which the Government attached any great importance as a Government measure. It is a question which the commercial community should settle themselves. There is not the slightest objection to a Member moving that the Bill be referred to a Select Committee, and republished, so that people may have more time to think over its provisions."

The Hon'ble Sardar PARTAP SINGH moved that the Bill be referred to a Select Committee and be republished.

The motion was seconded by the Hon'ble Mr. SHADI LAL and supported by the Hon'ble Mian MUHAMMAD SHAFI.

The motion was put and agreed to, and the Bill was referred to a Select Committee consisting of the Hon'ble Lieutenant-Colonel DAVIES, the Hon'ble Messrs. SHADI LAL and MUHAMMAD SHAFI and the Hon'ble Member in charge of the Bill, with instructions to report by the 1st of November 1910.

## ADDRESS BY THE PRESIDENT.

His Honour the PRESIDENT said:—"Before the Council adjourns I wish to say a few words with regard to one of our Members who probably will have retired before our next meeting. I refer to the Hon'ble Colonel BATE.

[ *The President.* ]

Colonel BATE has had a very long and meritorious service of over 30 years in the Punjab, and for the greater portion of this time he has occupied a very responsible position in the Government of the Punjab.

"He was Inspector-General of Jails for a great many years and did much to make our jails the sanatoria they at present are, so that they have even been sometimes described by the irreverent as 'the haven of rest, or *susrúl de ghar*.' In the same way, as Inspector-General of Civil Hospitals he worked hard in the interests of the institutions and officers under his control, and the effect of his administration has been very marked. The inmates of those institutions should bless the name of Colonel BATE. His sound commonsense, absolute integrity and great experience have ever been at the disposal of a long line of Lieutenant-Governors. I can only add my own tribute to those of my predecessors. His departure is a great loss to the Government of the Province. I am sure, gentlemen, that you will all join with me in wishing him many happy years after his retirement."

## ADJOURNMENT.

The Council adjourned *sine die*.

S. W. GRACEY,

*The 24th May 1910.*

*Secretary, Legislative Council, Punjab.*

PUNJAB GOVERNMENT.  
LEGISLATIVE DEPARTMENT.

*Abstract of Proceedings of the Council of the Lieutenant-Governor of the Punjab, assembled for the purposes of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 to 1909.*

THE Council met at Barnes Court, Simla, on Monday, the 22nd August 1910, at 11 A.M.

PRESENT :

His Honour Sir LOUIS WILLIAM DANE, K.C.I.E., C.S.I., I.C.S.,  
Lieutenant-Governor, *presiding*.

The Hon'ble Mr. JOHN CORNWALLIS GODLEY, M.A.

The Hon'ble Malik MUBARIZ KHAN.

The Hon'ble Mr. ROBERT HUMPHREYS, I.C.S.

The Hon'ble Mr. ALEXANDER HENDERSON DIACK, C.V.O., I.C.S.

The Hon'ble Khan Sahib Sayad MAHDI SHAH.

The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI.

The Hon'ble Khan Bahadur Khwaja YUSAF SHAH.

The Hon'ble Mr. WEBSTER BOYLE GORDON, C.I.E.

The Hon'ble Mr. HENRY PARSALL BURT, C.I.E.

The Hon'ble Khwaja AHAD SHAH.

The Hon'ble Rai Bahadur HARI CHAND.

The Hon'ble Rai Bahadur SHADI LAL, M.A., B.C.L., Barrister-at-Law.

The Hon'ble Mr. ARTHUR MEREDITH, I.C.S.

The Hon'ble Nawab BAHRAM KHAN, MAZARI, C.I.E.

The Hon'ble Khan Bahadur Mian MUHAMMAD SHAFI, Barrister-at-Law.

The Hon'ble Mr. ARTHUR MILFORD KER, C.I.E.

The Hon'ble Lieutenant-Colonel HENRY SAMUEL PRICE DAVIES.

The Hon'ble Lala SULTAN SINGH.

The Hon'ble Lieutenant-Colonel CLEMENTS GEORGE PARSONS.

The Hon'ble Mr. HENRY PHILLIPS TOLLINTON, B.A., I.C.S.

[*Mian Muhammad Shafi; Mr. Humphreys; Mr. Shadi Lal; President Khwaja Yusuf Shah.*]

OATH OF OFFICE,

THE following Members, before taking their seats, took the prescribed oath of their allegiance to the Crown :—

The Hon'ble Mr. R. HUMPHREYS, I.C.S.

The Hon'ble Lieutenant-Colonel C. G. PARSONS.

## QUESTIONS AND ANSWERS.

The Hon'ble Khan Bahadur Mian MUHAMMAD SHAFI asked the following questions :—

" Will the Government be pleased to state, for the information of the Council,—

" (a) What is the total number of Christians, Hindus and Muhammadans residing within the municipal limits of Fázilka, in the district of Ferozepore ?

" (b) When was the municipal committee of Fázilka first established ; what is the total number of elected members on that municipal committee ; and are the municipal electorates mixed or does the system of separate communal representation obtain in Fázilka ?

" (c) Is it a fact that ever since the establishment of Fázilka municipal committee not a single Muhammadan has ever been elected as a Municipal Commissioner ?

" (d) Has the Government received a representation submitted to the district authorities on behalf of the Anjuman-i-Islamia, Fázilka, praying for grant of separate representation to the Muhammadan community on the ground, among others, of failure of representation of Muhammadan interests through mixed electorates ? "

The Hon'ble Mr. HUMPHREYS replied—

" (a) According to the Census of 1901, the latest figures available, the total population of the town of Fázilka was distributed as follows :—

		<i>Votes.</i>
Hindus	... 5,631	1,603
Muhammadans	... 2,732	509
Sikhs	... 82	128
Jains	... 37	18
Christians	... 23	

" (b) The municipal committee of Fázilka was first constituted in 1867. The total number of elected members on the committee is 6. The municipal electorate is a mixed one.

" (c) No Muhammadan has ever been elected to the committee.

" (d) No representation by the Anjuman-i-Islamia, Fázilka, praying for the grant of separate representation to the Muhammadan community has yet reached Government, but it has been ascertained that such a representation has been presented to the Deputy Commissioner of Ferozepore and is engaging his attention. His report on the representation is awaited. "

2. The Hon'ble Mr. SHADI LAL asked whether any useful purpose was served by questions of this nature.

His Honour the PRESIDENT disallowed this question.

2. The Hon'ble Khan Bahadur Khwaja YUSAF SHAH asked the following questions :—

" 1. Is Government aware that in consequence of the Judicial Branch receiving preferential treatment much discontentment exists among the Executive Officers of the Provincial Service ?



[ *Khawaja Yusuf Shah ; Mr. Tollinton ; Hari Chand ; Mr. Meredith.* ]

23 "2. Will Government be pleased to state whether they contemplate at least placing the Executive Branch on the same advantageous footing as the sister branch, seeing that the Executive Branch of the Provincial Civil Service are entrusted with onerous and important administrative work of all kinds, whereas the Judicial does merely civil work, and that the latter has recently been improved partly at the expense of the Executive, which has fewer posts in the higher and more in the lower grades?"

The Hon'ble Mr. TOLLINTON replied—

"Government is aware that some discontent exists. But proposals for the improvement of the Executive Branch of the Provincial Civil Service have been before the Government of India since January last, and they have recently intimated that orders may be expected very shortly."

24. The Hon'ble Rai Bahadur HARI CHAND asked—

"(a) Will the Government be pleased to inform the Council why a Settlement for only 10 years has been announced in the Murree tahsil of the Ráwalpindi district while for the rest of the district it is proposed to have a 20 years' settlement?"

"(b) Having regard to the statement of the Settlement Officer that the 10 years' settlement has produced feelings of dismay in the Murree tahsil and that the revenue has also been increased, will the Government be pleased to reconsider the matter and order a uniform period of settlement for the whole of the Ráwalpindi district?"

His Honour the PRESIDENT—"Does the Hon'ble Member not intend to ask the first two questions in his name? I think, as a matter of fact, the answer to this question has already been given in a communiqué to the 'Tribune' which raised the point; but the Hon'ble Mr. Meredith will perhaps answer it."

The Hon'ble Mr. MEREDITH replied—

"A 10 years' settlement was announced in the Murree tahsil of the Ráwalpindi district under the orders passed by Sir Charles Rivaz upon the Assessment Report in 1906. As there had been an extraordinary increase in assessable value, and as it was uncertain what would be the effect of the proposed Kashmir Railway, the tract had to receive special treatment. The assessment was therefore to be announced for a term of 10 years only, subject to consideration at the end of that period whether the assessment should be continued or not. The assessments were the following:—

			Rs.
" 1st Summary Settlement	...	...	8,790
" 1st Regular Settlement	...	...	8,601
" 2nd Regular Settlement	...	...	13,492
" New Settlement	...	...	24,500

"The proposed demand, though a very heavy increase over the existing revenue, was only 13 per cent. of the net produce and 5 per cent. of the gross produce, and the very large profits from cattle and dairying and fruit were not taken into account at all. The tract is a very small one and depends for its prosperity on special circumstances which will no doubt be very fully considered when the time comes for deciding what the term of the Settlement should be. Modern practice is to fix a longer term of Settlement with a progressive assessment to meet such a case as this, but such action might be dangerous in the special circumstances of Murree. No objections have been raised to the orders at the time or since.

"In the remainder of the district the conditions are more normal and the assessments imposed approach more closely to the general standard adopted in the Punjab.

[ *Mr. Meredith ; Hari Chand ; Mr. Tollinton ; Khwaja Ahad Shah.* ]

" The Financial Commissioner's proposals for the term for which the newly revised Settlement of the Rāwalpindi district should be sanctioned have only recently been submitted to Government and are now under consideration. They had not been submitted when the Final Settlement Report was reviewed in the Press."

The Hon'ble Rai Bahadur HARI CHAND asked:—

25 " Has the attention of the Government been drawn to the case of ' Rishi Daya Nand,' a Vernacular newspaper of Rāwalpindi, for which a security was demanded because the publisher was changed and which had to be stopped because the security could not be paid? Does the Government approve of the action and was the discretion of the Magistrate rightly exercised?"

The Hon'ble Mr. TOLLINTON replied:—

" The ' Rishi Daya Nand ' changed publisher and printer when the Press Act was passed. The District Magistrate reports that the management of the paper requires watching, and the change to a completely new press was not an ordinary change. There was nothing to prevent the District Magistrate exercising his discretion in the way he did. The security demanded was Rs. 500 from the publisher and Rs. 1,000 from the printer. The matter has not been brought to the notice of Government before and consequently no grounds exist for interfering with the discretion of the District Magistrate."

26 The Hon'ble Rai Bahadur HARI CHAND asked:—

" Has the attention of the Government been drawn to the case of the ' Punjab Advocate,' in which the District Magistrate of Miānwāli refused to accept Government security in lieu of cash as security? Will the Government be pleased to inform the Council whether the District Magistrate acted according to law?"

The Hon'ble Mr. TOLLINTON replied:—

" The attention of the Local Government was not drawn to the matter. It was first brought to light by the question asked in the Imperial Council on the 5th August.

" The refusal was illegal, but before the question was asked the District Magistrate had reconsidered his action, had arranged for the investment of the money deposited in promissory notes and had been thanked by the Editor in the issue of the ' Punjab Advocate ' dated 4th August."

27 The Hon'ble Khwaja AHAD SHAH asked:—

" Will the Government be pleased to state, for the information of the Council, if the numerical strength of the members of the Punjab Commission is large enough to admit of the standard of 15 years' previous service being fixed for Deputy Commissionership?

" If not, is there a scheme in contemplation for adequately raising the said strength to a point that would allow of the said standard being safely fixed?"

The Hon'ble Mr. TOLLINTON replied:—" The numerical strength of the Punjab Commission is not large enough to admit of a standard of 15 years' previous service being fixed for a Deputy Commissionership if by that is meant an officiating tenure of such a post. Such an arrangement would also conflict with the principle on which the Civil Service is recruited, which is that an officer of 8 years' standing should ordinarily be holding a superior post, that is, a post

[ Mr. Tollinton ; Khwaja Ahad Shah ; Mr. Humphreys ; Mr. Shadi Lal ;  
Mr. Muhammad Shafi. ]

carrying a salary of Rs. 1,000 per mensem. In the past, promotion in the Punjab Commission was rapid owing to short recruitment and abnormal casualties. This is not the case now, and the junior substantive Deputy Commissioner completes 14 years' service in October next."

28 The Hon'ble Khwaja AHAD SHAH asked—"Will the Government be pleased to state, for the information of the Council, if there is a scheme in contemplation to authorise the civil and criminal courts to make a report for the suspension of those legal practitioners who realise fees from litigants but fail to properly conduct their cases?"

The Hon'ble Mr. HUMPHREYS replied—"No such scheme as is mentioned is at present in contemplation, but it is understood that as things stand at present Courts are competent to report to the Chief Court any cases of professional misconduct on the part of a legal practitioner which occur before them."

29 The Hon'ble Rai Bahadur SHADI LAL asked :—

"1. Is the Government aware that considerable discontent exists in several districts of the Province on account of the forced supplies of provisions and labour, for the camps of officers on tour, *gratis* or at rates which are considerably lower than those prevailing in the market, and, if so, will the Government be pleased to state what action, if any, does it propose to take in this matter?"

"2. Will the Government be pleased to state if the resolution on the subject of supplies for the camps of civil officers on tour, issued by the Government of Sir Dennis Fitzpatrick in 1893, and published in the 'Punjab Gazette' as Punjab Government Resolution No. 933, dated 18th December 1893, is still in force, and, if so, will the Government be pleased to issue instructions to all civil officers to strictly follow the directions laid down by the Government in that resolution?"

"3. Will the Government be pleased to state whether it considers it advisable to draw the attention of the public to the Proclamation addressed to all zamindars, shop-keepers and *kamins* in the villages in the Punjab, which was published as an appendix to the resolution above referred to, and to direct that as provided for in the resolution copies of the Proclamation be posted at some conspicuous place in every village and at all public places and police stations throughout the Province?"

The Hon'ble Mr. HUMPHREYS replied :—

"1. Government is not aware that any discontent exists in any district of the Province on account of forced supplies of provisions and labour for the camps of officers on tour, and accordingly Government does not propose to take any general action in the matter. If any specific instances of oppression or breach of the rules are brought to the notice of Government suitable action will be taken without hesitation as the travelling allowance rules have been specially framed to prevent the risk of petty tyranny by petty officials.

"2. In reply to questions 2 and 3 I am to state that the resolution in question has never been recalled, and its purport is included in the standing orders of Government. It is also well known to the people who still have copies of the Proclamation, and consequently it appears to Government to be unnecessary to republish it."

The Hon'ble Mr. MUHAMMAD SHAFI—"Will Your Honour be pleased to allow me to ask a supplementary question. Has any representation reached Government on behalf of the people actually concerned, showing the existence of any general discontent in any districts?"

[ *Mr. Humphreys; Mr. Shadi Lal; President; Mr. Godley.* ]

The Hon'ble Mr. HUMPHREYS—"I am not aware that any such representation has reached Government."

The Hon'ble Mr. SHADI LAL—"I may mention for the information of my Hon'ble friend that I know certain cases of discontent in certain districts; that is the reason why I put this question."

His Honour the PRESIDENT—"I shall be obliged if you would bring any such case to the notice of Government. In these matters it is generally more desirable to act on a specific case than to disturb the calm of the whole Province in a matter which may perhaps affect only a few districts."

The Hon'ble Mr. SHADI LAL :—"Very good, Sir."

The Hon'ble Mr. SHADI LAL asked :—

"1. Has the attention of the Government been drawn to a resolution recently passed by the district board, Kángra, to the effect that all rural primary schools in the district in which the number of students on the rolls is less than 40 and the average attendance less than 30, are to be closed?"

"If so, will the Government be pleased to state whether this resolution has been carried into effect, and, in consequence, how many rural primary schools had to be closed since the enforcement of the resolution?"

"2. Is it a fact that the Local Government has withdrawn its annual grant of Rs. 3,000 to the district board, Kángra, for the maintenance of such schools? Is it on account of this withdrawal that the district board has been obliged to pass the resolution referred to in question No. 1?"

"3. In view of the scattered population of the Kángra district and the very small number of boys receiving education there, will the Government be pleased to reconsider its decision regarding the withdrawal of the grant of Rs. 3,000 to the district board, Kángra, for educational purposes, and will the Government be pleased to withhold its sanction to the resolution of the district board?"

"4. Will the Government be pleased to state the total number of Government District Board, Aided and Unaided Girls' Schools in the Kángra district and the total number of pupils reading in them?"

"5. Will the Government be pleased to state if the resolution of the district board above referred to applies to Girls' Schools as well, and, if so, what effect it will have on female education in that district?"

The Hon'ble Mr. GODLEY replied :—

"In reply to the first question. Under the rules now in force, a district board cannot reduce the number of primary schools which it maintains without obtaining the sanction of Government. No resolution of the Kángra district board on the subject referred to by the Hon'ble Member has been submitted to Government for approval, but the Deputy Commissioner has applied on behalf of the board for permission to close 15 primary schools, on the ground that the financial condition of the board renders retrenchment necessary. Pending further enquiry into the state of the board's finances, this permission has not been given."

"Questions Nos. 2 and 3. The grants from Imperial and Provincial funds for primary education, amounting altogether to Rs. 4,20,000, are apportioned to districts by Commissioners of divisions in consultation with Inspectors of Schools. The share allotted to Kángra was reduced by the Commissioner from Rs. 9,000 to Rs. 6,000 because the board was not thought to be spending a fair proportion of its income on primary education, and the needs of other districts appeared to be more urgent. It is stated, on the one hand, that the board has opened 31 new schools since 1908, and that it is paying Rs. 1,287 more in grants to aided schools; and, on the other hand, that its

[ Mr. Godley ; Mr. Shadi Lal ; Mr. Gordon. ]

net expenditure on education is much below the usual standard. There has been no withdrawal of a grant by Government: the question is one of adjustment: and a distribution of the available grants with a view to the claims and requirements of the districts concerned will again be considered before the preparation of the district board budgets.

" Questions Nos. 4 and 5. There are 12 girls' schools in the district, 10 of which are maintained by the district board. The total number of pupils is 447. A decision to close all schools having an average attendance of less than 30 would have an unfavourable effect on female education in the district, but it is improbable that so sweeping a measure is contemplated."

The Hon'ble Mr. SHADI LAL asked:—

" 1. Is the Government aware that a large number of qualified and trained Overseers and Sub-Overseers who have passed the Engineering Examinations of the Punjab University from the Government School of Engineering at Lahore and other affiliated institutions is available for service in the Irrigation and Roads and Buildings Departments in the Punjab, but that in recruiting the subordinate services of these Departments the claims of these men for employment under Government have not been favourably considered ?

" 2. In order to provide a legitimate opening for the students trained in engineering by the Punjab University and at the same time to supply fully qualified persons to the Departments, will the Government be pleased—

" (a) to issue instructions to the heads of the Irrigation and the Roads and Buildings Departments to give preference to the University men in making appointments for posts for which they are, by their education and attainments, qualified, and

" (b) to direct the Registrar of the Punjab University to keep a register of all such qualified persons seeking employment as is done in the Engineering College at Roorkee, and to recommend them to the Heads of the Irrigation and Roads and Buildings Departments whenever necessary ?"

The Hon'ble Mr. GORDON replied—

" 1. Before making definite replies to the Hon'ble Mr. SHADI LAL'S questions it will be convenient to explain how appointments are made to the permanent Upper and Lower Subordinate establishments.

" 2. First as regards the sources from which the establishments are recruited. Practically speaking, no subordinate is now appointed to the department who has not been trained at the Thomason Civil Engineering College, Roorkee, or at one of the Schools of Engineering affiliated to the Punjab University. The College at Roorkee is an Imperial institution for the training of students who, so far as the Upper and Lower Subordinate classes are concerned, must be domiciled in the United Provinces, Punjab, or other parts of India, except Bengal, Madras and Bombay. It is largely resorted to by young men from this province, more especially from the eastern districts. The students receive an excellent training during a two years' course, and can make themselves very useful, especially on survey work, immediately on joining the department. The students in the schools affiliated to the Punjab University receive a less thorough training. Certainly on joining the department they are not so well qualified and stand more in need of further training. This is probably owing to the want of facilities for practical work which it is the object of the Local Government to remove by improving the status of the Government Engineering School.

[ Mr. Gordon. ]

"3. Appointments of Upper Subordinates are made in the first instance by the Government of India from selected Roorkee students. Any vacancies remaining after the year's postings from Roorkee have been settled, the Local Government may fill by promoting selected Lower Subordinates. About seven appointments are made annually of which on an average three are made by the Government of India and four by the Local Government. The selection from the Lower Subordinate class is made solely on the men's record while in the department irrespective of their previous training. During the past 8 years only 2 out of those selected were men holding Punjab University certificates against 40 with Roorkee certificates.

"4. Appointments of permanent Lower Subordinates are made entirely by the Local Government. For the Buildings and Roads Branch details have not been procurable from Superintending Engineers in the short time allowed for reply, but in the Irrigation Branch, which comprises more than  $\frac{7}{8}$ ths of the total establishment, it is found from figures available in the Secretariat that about one-third of the vacancies are filled by selected students from Roorkee and the remaining two-thirds by selected temporary Sub-Overseers who after two or 3 years' temporary service may, if their record is good, be recommended for permanent appointment. The temporary Sub-Overseers are appointed in the first instance by the Superintending Engineers. Two years ago, in February 1908, those officers were instructed to give preference, when making the appointments, to men with Punjab University certificates. These orders have not yet had time to affect the actual appointments to the permanent service for which generally men of over 3 years' service are selected, but from the last rolls received of men recommended for permanent appointment, I find that 21 of the recommended men were appointed after February 1908, and that as many as 18 of these hold Punjab University certificates against 3 with Roorkee certificates. I have no doubt that in a few years, as the result of the orders of 1908, two-thirds of the annual vacancies amongst Lower Subordinates will be filled by men with Punjab University certificates. As it is, the proportion of these men to the total number appointed has risen from an average of one-tenth (16 out of 164) in the 5 years previous to 1908, to nearly one-third (30 out of 106) in the three subsequent years. During the past 4 years the percentages of men with Punjab University certificates have been 19, 31, 38 and 41, indicating a steady increase in the number of men of this class.

"5. I may add that out of a total number of 72 Upper Subordinates appointed during the past 8 years, including those appointed by the Government of India, 59 or 82 per cent, had their domiciles in this province; and that out of 270 Lower Subordinates appointed in the same period 258 or 95 per cent, are Punjabis.

"I have also received from eight Irrigation Circles figures relating to the appointments of temporary Sub-Overseers since the orders of February 1908. In these eight circles there were 61 men with Lahore certificates who received temporary appointments in the last 2½ years against 24 from Roorkee."

With this explanation the replies I have to make to the questions are—

"(1) Government is aware that many young men who have passed the Engineering Examination of the Punjab University are available for service in the Public Works Department. But Government is not aware that the claims of these men have not been favourably considered. On the contrary, their claims have received the fullest consideration that was possible, having due regard to the training and qualifications of the men, to the qualifications and claims of their compatriots who had received a superior and more expensive training at Roorkee, and to the general interests of the Public Works Department.

[ *Mr. Gordon ; Mr. Shadi Lal ; Mr. Tollinton.* ]

" (2) (a).—Government does not at present propose to issue further instructions with regard to the employment of University men, to whom under orders which have already issued half the appointments made by the Local Government in the Upper Subordinate establishment are now open through the Lower Subordinate ranks ; and for whom practically two-thirds of the appointments in the Lower Subordinate establishment have been reserved. Measures are, however, under consideration for improving the training in the Government School of Engineering, and it is hoped that within a few years the Government of India will agree to some direct appointments in the Upper Subordinate establishment being reserved for students from that school.

" It is believed that the reason that the Punjab University men are not so well qualified as the Roorkee men, is that there is a want of facilities for practical training,—an obstacle which the Local Government hope to remove.

" (2) (b).—If the Registrar be directed by the University authorities to maintain a register of the kind referred to, Government will be glad to instruct Superintending Engineers to make use of it in filling temporary appointments in the Lower Subordinate Service."

The Hon'ble Mr. SHADI LAL asked—

" (1) Is the Government aware that at present, with the exception of the Revenue Officers, almost all the Extra Assistant Commissioners in a district are invested with civil and criminal jurisdiction and have to decide civil and criminal cases, and that this system causes great expense and inconvenience to the parties and witnesses in civil cases which, on account of the precedence being given to criminal cases, have often to be adjourned ?"

" (2) Would it not be advisable in the opinion of the Government to separate the Provincial Service into officers doing purely civil work and officers doing criminal and executive work as is the case in other provinces of India ?

" (3) Does the Government know that officers who become Extra Assistant Commissioners after having served as Tahsildars and Head Clerks and Superintendents of Vernacular Offices or those who have served as Revenue Officers for a long time are sometimes appointed Sub-Judges and that such appointments do not lead to efficiency in judicial service and are prejudicial to the interests of the suitors in civil cases ?

" (4) Would the Government be pleased to order that the officers referred to in the previous question should in future do criminal and executive work only ?"

The Hon'ble Mr. TOLLINTON replied— " Government is aware that most Extra Assistant Commissioners decide both criminal and civil cases. The recent organization of the Judicial Branch of the Provincial Service was partly undertaken to obviate this. A start has been made and certain officers are being set apart for the trial of civil cases only. If the Executive Branch is also reorganized this arrangement will be still further extended. The matter is not free from difficulty, as you cannot restrict one or more officers to civil work only, if the civil work is not sufficient to take up the exact time of a full time officer or officers. If it does not, in the interest of economy, the officer must be given other work. At the same time the Lieutenant-Governor is very anxious to have a separate staff for civil judicial work as this every year tends to become more and more protracted and expensive.

" Selections for the Judicial Branch are made by the Hon'ble Judges. It is quite conceivable that an officer who has been a Tahsildar would make a better Sub-Judge than another officer who had tried civil cases all his life. If the Hon'ble Judges select such a man, Government is not prepared to interfere, or to lay down any hard-and-fast rule, as requested by the Hon'ble Member."

[ Mr. Shadi Lal ; Mr. Tollinton. ]

The Hon'ble Mr. SHADI LAL asked—

" (1) Is the Government aware that the present system of transferring members of the Indian Civil Service from the Executive to the Judicial line and *vice versa* is prejudicial to the interests of efficient judicial administration, that under this system the Civilian District Judges do not get sufficient time and opportunity for mastering the details of the important civil work which they are called upon to do, and that when they are made to officiate as Divisional Judges, they are, in some cases, not sufficiently experienced to discharge efficiently the duties of their high office ?

" (2) Would it not be advisable in the interests of the public that after their preliminary training the members of the Indian Civil Service be selected definitely either for the judicial or the executive work, and that thereafter they should not be transferred from one line to the other ?

" (3) Would it not be advisable in the interests of the judicial administration of this Province to rule that, in future, no officer should ordinarily be appointed a Divisional Judge unless he had continuously worked as a District Judge for a certain minimum period, say, 5 years, and a portion of this period must have been passed at a commercial centre like Delhi, Amritsar, Lahore or Rawalpindi ? "

The Hon'ble Mr. TOLLINTON replied :—

" The Hon'ble Member appears to exaggerate the difficulty of trying civil cases. The judicial attitude is largely a habit of mind. It would be a thousand pities if an executive officer, who, with increasing knowledge of the customs and laws of the province (for even an executive officer must keep abreast with the law) were debarred by a hard-and-fast rule from entering the Judicial service, for which, possibly later on in his service, he has developed a decided bent. Such officers have often made the most satisfactory Judges even in the Chief Court. At the same time care is now taken to avoid unnecessary transfers and when an officer has had a sufficient general training he is usually allowed to select the line in which he will serve and is then ordinarily kept to that line. No objections have arisen from the public to the way in which members of the Indian Civil Service are recruited for the Judicial line, and the general public are usually only too anxious to have their cases decided by such officers.

" No hard-and-fast rule is possible. Experience in commercial cases is no doubt an advantage, but it could not be laid down as an axiom that a man with this experience would *ipso facto* make a better Divisional Judge than a man without it. The Punjab District Judge is unknown in other Provinces, and no difficulties are there experienced in training District and Sessions Judges. "

The Hon'ble Mr. SHADI LAL asked :—

" Will the Government be pleased to consider whether it is not advisable in the interests of the public that the system of appointing retired Military men, Police officers and other men of that type to act as honorary judicial officers be abandoned and that the Government should show its appreciation of ability and legal knowledge and experience by giving every year some judicial posts to the practising members of the Bar ? "

The Hon'ble Mr. TOLLINTON replied :—

" The pay of the lower ranks of the Judicial Service is not sufficiently high to attract the best men at the Bar, and any but the best men would not be the equal intellectually of the gentlemen who are now recruited for the post of Munsif and Extra Assistant Commissioner by competition from whom most of our judicial officers are selected. It is of course not the case that in all countries the bench are recruited from the Bar. For the rest, Government considers that the present openings for practising members of the Bar entering the service are sufficient, but the question is always carefully borne in mind. As regards honorary judicial officers local influence and integrity is quite as important for the work which they have to do as legal knowledge. If members of the Bar have



[ *Mr. Shadi Lal ; Mr. Tollinton ; The President ; Mr. Muhammad Shafi.* ]

that influence and integrity and wish to take such honorary Judicial appointments, Commissioners will no doubt be quite ready to consider their claims."

The Hon'ble Mr. SHADI LAL asked—

"(1) Will the Government be pleased to order that in future an officer who cannot write his judgment in English should not be appointed a District Judge?"

The Hon'ble Mr. TOLLINTON replied—

"Such officers are becoming more and more rare. The Hon'ble Judges have an eye to this in making selections. No rigid rule is practicable, and a good knowledge of the local vernacular is at least as important in the present condition of the Punjab as a knowledge of English."

### BILL TO AMEND SECTION 51 OF THE PUNJAB LAWS ACT.

The Hon'ble Mr. TOLLINTON moved for leave to introduce a Bill to amend section 51 of the Punjab Laws Act, 1872.

The motion was put and agreed to.

The Hon'ble Mr. TOLLINTON said—"The Bill for the introduction of which I have just asked leave is purely a formal matter and hardly needs any further explanation than is already afforded by the Statement of Objects and Reasons which are before the Hon'ble Members.

"Section 51 of the Punjab Laws Act, 1872, as it now stands, requires that the previous sanction of the Governor-General in Council should be obtained before rules framed by the Local Government under the Act and circulars issued by the Chief Court are republished with any amendments and alterations that have been made since the previous publication. It has been found in practice that the previous sanction of the Governor-General in Council for this republication is unnecessary, and the intention of the present Bill is to remove the restriction, and to repeal that part of the section which renders that sanction necessary.

"The measure is wholly uncontentious; it has been approved by the Hon'ble Judges of the Chief Court and will conduce to the more rapid despatch of public business. With these remarks I introduce the Bill and move that the Bill be taken into consideration; and also that it be passed.

The Hon'ble Mr. SHADI LAL said—"May I in this connection ask what is the significance in the preamble of the words as amended by the Punjab Laws Amendment Act, 1895?"

"The reason why I ask is that there is another Act which has amended the Punjab Laws Act, that is, Act IV of 1900, an Act of the local Legislature. My object in asking this is not to make any amendment in connection with the Bill, but simply for the sake of information. One Act has been specially mentioned and the other Act not at all."

The Hon'ble Mr. TOLLINTON—"Does the other Act amend this particular section?"

The Hon'ble Mr. SHADI LAL—"No, it does not amend this particular section."

His Honour the PRESIDENT—"I presume that the Bill introduced merely deals with the particular section."

The Hon'ble Mr. MUHAMMAD SHAFI—"Your Honour, it seems to me that there is no difficulty in this matter at all. Your Honour will see that the preamble begins by saying—'whereas it is expedient to amend section 51 of the Punjab Laws Act', that is to say, this Bill is not intended to amend the Punjab Laws Act, but a certain particular section of that Act. Therefore it is necessary only to mention the original Act as well as the subsequent Act which amends that section; so that it seems to me that the preamble makes it absolutely clear just as it stands."

[ *The President ; Mr. Shadi Lal ; Mr. Tollinton ; Mr. Humphreys.* ]

His Honour the PRESIDENT—"I think the Hon'ble Mr. MUHAMMAD SHAFI'S explanation makes the matter clear."

The Hon'ble Mr. SHADI LAL—"The only other thing I wish to point out is whether it is desirable to have the words in clause 2 after the words 'the Governor-General in Council are hereby repealed.' The clause ought to stop there, and the rest may be omitted. I do not insist on this matter, but it seems to me quite unnecessary to go further."

"I might point out that I did not give notice of this because it is a purely formal matter. But it seems more desirable that the words which are not required should be left out altogether."

His Honour the PRESIDENT—"The only advantage of this is the possibility that for the executive officers of the service it might be more convenient to have the wording put together in one place rather than to refer back to the Act."

The Hon'ble Mr. SHADI LAL—"I understand that when the section is amended, it will be put back there, and it will be just as it stands."

The Hon'ble Mr. TOLLINTON—"I think, Your Honour, it is only a point of drafting, and I think if this Council, which has already an expert draftsman, is going to dispute about points which I think are quite unessential, considerable time will be wasted. At the same time, I fully agree that for executive officers, it will be a great facility to have the whole Act before them."

His Honour the PRESIDENT—"I cannot go so far as to agree with the Hon'ble Mr. TOLLINTON that criticism on drafting is immaterial, and we are much obliged to the Hon'ble Mr. SHADI LAL for his remarks; but it so happens that this draft has been considered by the Local Government and has been considered also by the Government of India, and it gives at any rate the sense of what the Council are asked to agree to; and on the whole, perhaps, unless the Hon'ble Member sees any serious objection, possibly it might be allowed to stand."

The Hon'ble Mr. SHADI LAL—"I leave it to Your Honour."

The motions were put and agreed to.

#### THE PUNJAB MUNICIPAL BILL.

The Hon'ble Mr. HUMPHREYS moved for leave to introduce a Bill to make better provision for the administration of Municipalities in the Punjab. He said—

"The Municipal Act of 1884 was superseded by Act XX of 1891 after only 7 years of existence. The latter was a great improvement on the former Act, but nevertheless with the general march of progress despite amendments it is now, after 19 years, out of date, cumbersome, in some respects indefinite, and in others does not give the powers which a modern municipality requires. The existing Act was modified first by Act XVIII of 1896, which added milk and butter to the articles of food, the preparation and sale of which could be regulated by the Act, and also enacted section 137A to deal with the adulteration of food or drink stuffs. The next amending Act was Act III of 1900, the main object of which was to make adequate provision for carrying out proper schemes of lighting, water-supply, drainage and sewage. Finally came Act I of 1905 which made certain formal alterations to permit of the foundation of provident funds for the benefit of municipal employes. The present Bill, which I have now the honour to introduce, is based on the recommendations of a committee presided over by Mr. Fenton."

[ *Mr. Humphreys.* ]

"The changes which have been introduced fall naturally into two classes—

"First those relating to the re-arrangement of the existing provisions or to amendments of the wording of the Act where the intentions of the legislature have been proved to be open to doubt or misconstruction, and in the second class are comprised provisions conferring enhanced powers of control upon the self-governing bodies which do not appear in the Act of 1891.

"As regards re-arrangement, it will be found that the definitions of 'annual value,' 'erect or re-erect any building' and 'inhabitant' which are in sections 42, 94 and 206 of the present Act have been transferred to clause 3. The powers of the Local Government to alter the class of a municipality or to extend its boundaries have also been included in Chapter I of the Bill. Section 203 regarding the obligation of municipal servants and especially sweepers duly to discharge their duties now becomes clause 40 and takes its appropriate place with the other clauses of the Bill relating to municipal officers and servants. Section 201 which gives power to recover arrears of taxes through a Magistrate has now been brought into the chapter on taxation. The chapter relating to powers for sanitary and other purposes has been largely re-arranged and a new chapter dealing with the matters which may be regulated by bye-laws has been inserted as Chapter IX in which the sections relating to the erection and re-erection of buildings have been included. Another new feature is Chapter X in which are grouped all the sections relating to procedure, powers of inspection, issue of notices, appeals, offences and prosecutions. It will thus be seen that from the point of arrangement alone the present Bill is very much more convenient and logical than the existing Act. I now turn to the new provisions which have been included, and here I do not think that it will be necessary for me to say much, as the more important of them are fully discussed in the Statement of Objects and Reasons appended to the Bill. There is very little that is really new, as most of the additions already find a place in existing enactments elsewhere in India. The amplification and amendment of the definition of the term 'annual value' in clause 3 will meet a long-felt want, and settle once for all many difficulties which hitherto were experienced in dealing with the thorny subject of the assessment of immoveable property to taxes under the Act. It also gives a much-needed standard of assessment in the case of buildings occupied by the owner and not let on hire. The need of such a definite standard in the existing Act was a cause of much heart-burning and dissatisfaction in dealing with an already unpopular tax. The definitions relating to 'building operations' and the term 'street' have also been amplified to meet difficulties which have arisen in practice, and definitions of 'infectious diseases' and 'occupier' have been added for similar reasons.

"When new municipalities were constituted under the existing Act, rules of general application could only be put in force by previous publication, a course which was expensive, inconvenient and in the circumstances quite unnecessary. A provision has consequently been made in clause 4 (7) to enable Government in such cases to extend to newly created municipalities the rules of general application in force in other municipalities. The alterations made in clauses 7—12 dealing with the election and appointment of members are not of a radical nature and call for no comment, the provision made in clause 8 (3) whereby outgoing members will continue in office until the election or nomination of their successors will prove a useful one.

"The delegation clauses are fully dealt with in the Statement of Objects and Reasons and need no further comment from me. Sub-clause 2 of clause 30 has been added in consequence of a ruling of the Chief Court, in order to make it clear that the question whether a President's act is justified by emergent circumstances is one for the committee's decision.

[ *Mr. Humphreys.* ]

" By clause 36 Government reserves the right similar to that enjoyed under section 27 of the District Boards Act to demand the dismissal of an unfit officer or servant from municipal service. In view of the possible extension of the principle of reducing official control from within it is all the more important that Government should retain efficient power of control from without.

" In the matter of municipal taxation the provisions have been made clearer and the procedure simplified.

" As was to be expected where so many municipalities have recently embarked on comprehensive water-works schemes, the provisions of the existing Act have been found very deficient in dealing with them and giving the necessary powers of control to the municipality. Chapter VII of the Bill has accordingly been drafted to meet this want, and in compiling it the experience of similar legislation in Bombay and Madras has been freely drawn on. Clauses 100—102 have been specially designed to meet the difficulties of water-supply in hill tracts where ordinary sources are liable to fail in dry years. It has, however, been thought advisable that the provisions of these sections shall only be enforced with the consent of the Local Government. Chapter VIII of the Bill defining the powers of municipalities for sanitary and other purposes contains little that is new. Very necessary powers have been taken to deal effectively with the disinfection of buildings, clothing, bedding, &c., the disposal of mad and stray dogs, the prevention of nuisance by steam whistles, the paving of courtyards or passages, and the prevention of the spread of infection. Clause 146 reproduces section 173 of the United Provinces Act on the subject of begging and exhibiting deformities in public places, and will form a useful supplement to section 34 *seventhly* of the Police Act. Clauses 147—49 deal with the subject of disorderly houses and prostitutes in a much more comprehensive manner than is the case under the existing Act, and the extension of section 204 to give power to prohibit brothels in the vicinity of educational establishments and cantonments is a measure the want of which has long been felt. As it now stands the clause follows the Bengal Disorderly Houses Act. Clause 166, which gives powers to compel the repair and proper maintenance of streets other than public streets, and in certain cases to declare them to be public streets, has been included at the instance of the Lahore municipality, and follows closely section 90 (3), (4) and (5) of the Bombay District Municipal Act of 1901 with the addition of one sub-clause. It will meet a difficulty which has often been felt especially in the larger towns of the Province. The present law on the subject of projections and encroachments as contained in sections 164 and 95 of the Act of 1891 has always been found defective and unsatisfactory. They have accordingly been largely redrawn and appear as clauses 167-68 and 170 of the Bill, the most important innovation being that power is now taken to require the removal or alteration of old projections on payment of reasonable compensation. Clause 179, which reproduces section 174 of the United Provinces Act for the prevention of nuisance by bands, drum beating, etc., has been included in the Bill to meet a demand for such a regulation which has often found expression in the public press. Finally, in this chapter clause 182 has been added which delegates to committees the power hitherto exercised by Government of levying small fees at fairs to defray the extra cost of sanitary arrangement, watch and ward and the like.

" Chapter IX of the Bill collects together and deals with all the circumstances in which a municipal committee may make bye-laws, and considerably enlarges the powers at present exercised by committees, who will be empowered to regulate markets, inspect weights and measures, regulate bill posting, boundary walls and hedges abutting on public streets and order the registration of dogs. The powers of committees to regulate building operations too have been put on a much broader and clearer basis, and many uncertainties and inconsistencies in the existing law have been cleared up.

[ *Mr. Humphreys ; The President ; Seth Adamji Mamooji ; Mr. Muhammad Shafi ; Mr. Shadi Lal ; Lala Sultan Singh.* ]

"The amendments introduced in chapter X are largely of a consequential nature, and do not call for any detailed comment.

"The only other point to which I need refer is that dealt with in clause 236 (1) (r) which makes the Municipal Account Code a body of rules issued by Government instead of a bye-law adopted by each municipality, and consequently empowers Government to amend it as may be necessary from time to time without every committee having to adopt the amendment separately as a bye-law,—a course which has given rise to much difficulty and confusion in the past.

"With these remarks I beg for leave to introduce the Bill."

The motion was put and agreed to, and the Hon'ble Mr. HUMPHREYS introduced the Bill.

"The Hon'ble Mr. HUMPHREYS moved that the Bill—

"(a) be circulated for the purpose of eliciting opinion thereon ;

"(b) with Statement of Objects and Reasons relating thereto, be published in the *Punjab Gazette*, English and Urdu ;

"(c) be referred to a Select Committee consisting of the Hon'ble Lala SHADI LAL, the Hon'ble Mian MUHAMMAD SHAFI, the Hon'ble Lala HARI CHAND, the Hon'ble Khwaja AHAD SHAH, the Hon'ble Colonel PARSONS and the Mover : the Hon'ble Mr. FENTON to join the Committee on his return from leave."

His Honour the PRESIDENT—"Has any Hon'ble Member anything to say about the constitution of the Select Committee ?"

The Hon'ble Seth ADAMJI MAMOOJI proposed, and the Hon'ble Sayad MAHDI SHAH seconded, the name of the Hon'ble Khwaja YUSAF SHAH to be added to the list.

The Hon'ble Mr. MUHAMMAD SHAFI—"I would like to say only this that the Hon'ble Khwaja YUSAF SHAH has much experience, and has been a Municipal Commissioner for 40 years."

His Honour the PRESIDENT—"I made the enquiry because we wish to secure as much expert opinion as possible on this measure which is somewhat long I am afraid and no doubt affects the people of the Punjab very closely."

The Hon'ble Mr. SHADI LAL—"I would like to propose that the name of the Hon'ble Lala SULTAN SINGH also be added."

His Honour the PRESIDENT—"Of course the sittings will be in select committee, and I have no doubt will be prolonged and fairly continuous. I do not wish to impose a very onerous burden on Hon'ble Members in having to attend in Lahore, but if the Hon'ble Lala SULTAN SINGH wishes to sit on the select committee I am sure the Government would welcome his services."

The Hon'ble Lala SULTAN SINGH expressed a wish to serve on the committee.

His Honour the PRESIDENT—"I am afraid it will then be necessary to add another member in order that the Government view of the question may be adequately represented."

The name of the Hon'ble Mr. MEREDITH was proposed to be added to the select committee.

The motions were put and agreed to and to the list of the members of select committee were added the names of the Hon'ble Khwaja YUSAF SHAH, the Hon'ble Lala SULTAN SINGH and the Hon'ble Mr. MEREDITH.

[ *The President.* ]

His Honour the PRESIDENT said—"As it will be impossible to proceed with the Municipal Bill for a considerable time, probably not till the second week of November, the best plan will be to adjourn the Council *sine die*. In the meantime, as the opinions come in from the persons consulted on this measure, they will be forwarded to the Members of the select committee, who will have an opportunity of considering them before they meet in Lahore to take the Bill up in committee.

I am sorry to say that, owing to the necessity of complying with the legal provisions before legislation can be undertaken in this Council, we have not been able to introduce any of the other measures which are pending; but I have every reason to hope that two or three of them will be ready to be considered in the cold weather, and that in all probability, if that is convenient to Hon'ble Members, a meeting of the Council might be held in the first week of December.

### ADJOURNMENT.

Council adjourned *sine die*.

SIMLA:

*The 22nd August 1910.*

S. W. GRACEY,

*Secretary, Legislative Council.*

PUNJAB GOVERNMENT.  
LEGISLATIVE DEPARTMENT.

*Abstract of Proceedings of the Council of the Lieutenant-Governor of the Punjab, assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 to 1909.*

THE Council met at the Council Chamber, Government House, Lahore, on Friday, the 16th December 1910, at 11 A.M.

PRESENT :

His Honour Sir LOUIS WILLIAM DANE, K.C.I.E., C.S.I., I.C.S.,  
Lieutenant-Governor, *presiding*.

The Hon'ble Sardar SUNDAR SINGH, MAJITHIA, Sardar Bahadur.

The Hon'ble Mr. JOHN CORNWALLIS GODLEY, M.A.

The Hon'ble Malik MUBARIZ KHAN.

The Hon'ble Mr. JAMES MCCRONE DOUIE, C.S.I., I.C.S.

The Hon'ble Mr. ROBERT HUMPHREYS, I.C.S.

The Hon'ble Mr. MICHAEL WILLIAM FENTON, I.C.S.

The Hon'ble Khan Sahib Sayad MAHDI SHAH.

The Hon'ble Mr. JAMES CURRIE.

The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI.

The Hon'ble Khan Bahadur Khwaja YUSAF SHAH.

The Hon'ble Mr. WEBSTER BOYLE GORDON, C.I.E.

The Hon'ble Mr. HENRY PARSALL BURT, C.I.E.

The Hon'ble Sardar PARTAP SINGH, AHLUWALIA, C.S.I.

The Hon'ble Khwaja AHAD SHAH.

The Hon'ble Rai Bahadur HARI CHAND.

The Hon'ble Rai Bahadur SHADI LAL, M.A., B.C.L., Barrister-at-Law.

The Hon'ble Mr. ARTHUR MEREDITH, I.C.S.

The Hon'ble Nawab BAHRAM KHAN, MAZARI, C.I.E.

The Hon'ble Khan Bahadur Mian MUHAMMAD SHAFI, Barrister-at-Law.

The Hon'ble Lieutenant-Colonel HENRY SAMUEL PRICE DAVIES.

The Hon'ble Lala SULTAN SINGH.

The Hon'ble Lieutenant-Colonel CLEMENT GEORGE PARSONS.

The Hon'ble Mr. REGINALD ARTHUR MANT, I.C.S.

OATH OF OFFICE.

THE following Members, before taking their seats, took the prescribed oath of their allegiance to the Crown :—

The Hon'ble Mr. M. W. FENTON, I.C.S.

The Hon'ble Mr. R. A. MANT, I.C.S.

[ *Mr. Shadi Lal; Mr. Fenton; Mr. Mant.* ]

## QUESTIONS AND ANSWERS.

The Hon'ble Rai Bahadur SHADI LAL asked:—"Whether any steps have been taken to put the finances of this Province on a better and more satisfactory footing, and whether the so-called '*quasi*-permanent settlement' with the Government of India which has proved very injurious to this Province and which always stands in the way of carrying out urgent and useful reforms in different departments is likely to be revised at an early date?"

The Hon'ble Mr. FENTON replied:—"With reference to the first part of the question, the answer is that the finances of the Province are always engaging the anxious consideration of Government, and serious attempts are made to reduce establishments wherever possible. A larger revenue cannot be raised over and above the ordinary and normal increase under most heads until the Provincial Contract is revised and canal assessments are adjusted and revised in such a way as to give the Local Government a larger share in the assessable value of the lands irrigated.

"The Local Government has addressed the Government of India in regard to the revision of the *quasi*-permanent settlement, but the orders of the Government of India have not yet been received."

The Hon'ble Rai Bahadur SHADI LAL asked:—"Will the Government answer the question raised at the time of the discussion of the Revised Financial Statement in March 1910 as to the functions of the Finance Committee, namely, whether the Finance Committee has the right to discuss the entire Draft Financial Statement and make such alterations therein as it thinks fit or its functions are limited to the allotment of the '*Unallotted Expenditure*'?"

The Hon'ble Mr. MANT replied:—"The function of the Finance Committee is, as laid down in rule 6 of the rules for the discussion of the Annual Financial Statement, to 'consider how the provision made under the head Unallotted Expenditure shall be distributed among the specific major heads, and to what purposes the sums thus allotted should be applied.'

"The Lieutenant-Governor has, however, no desire to restrict the operations of the Finance Committee, whose advice he regards as most helpful in the framing of the budget, and he will interpret as strictly as possible clause (c) of sub-rule (2) of rule 5 which prescribes that the provision made under specific major heads in the Draft Financial Statement shall be limited to the amounts required for existing establishments and schemes and for new schemes which the Local Government considers to be of an absolutely obligatory character. He will thus leave as large an amount as possible under the unallotted head for consideration by the Finance Committee. It has further been arranged to supply that Committee with the figures for minor heads under all the major heads of account which are open to discussion in this Council."

The Hon'ble Rai Bahadur SHADI LAL said:—"I beg to invite attention to the question which I put at the meeting of the 12th March 1910. I referred to the rules framed by the Lieutenant-Governor under section 5 of the Indian Councils Act, 1909, and to rule 1 which defined the Finance Committee as meaning the Committee of the Council appointed to consider and revise the Draft Financial Statement and to make proposals with reference thereto for the consideration of the Local Government. His Honour the PRESIDENT was pleased on that occasion to say that the matter was complicated and one which could not be worked independently of the Government of India, and that it was necessary to ascertain the views of the Government of India in the matter. I want to know if the present answer is given after consulting the Government of India."



[ President; Mr. Shadi Lal; Mr. Mant. ]

His Honour the PRESIDENT:—"Yes."

The Hon'ble Rai Bahadur SHADI LAL asked:—"Will the Government be pleased to inform this Council whether there have been any re-appropriations in the items of expenditure sanctioned in the last budget, and if so, what voice, if any, has this Council in determining whether the re-appropriations are justifiable?"

The Hon'ble Mr. MANT replied:—"Re-appropriations have been made from time to time in the budget estimates of the current year. Many of these transactions are purely formal. For instance, when provision has been made for a police work in the budget of the Public Works Department, and it is subsequently decided to carry out the work by police agency, funds have to be transferred from the Civil Works to the Police head of the budget. In other cases, the funds provided under one head of expenditure are sometimes found insufficient to meet the sanctioned charges falling under that head, and the expenditure has to be met from savings in the provision made under some other head. In other cases again, savings are re-appropriated to meet new and urgent demands for expenditure, the need for which was not foreseen when the budget was framed. Transactions of this last class are, however, limited to exceptional cases under the rule in article 159, Civil Account Code. All the above re-appropriations are made under the orders of the Lieutenant-Governor in the ordinary course of financial administration."

The Hon'ble Rai Bahadur SHADI LAL:—"I submit that the answer does not cover the second portion of my question, *vis.*, 'what voice, if any, has this Council in determining whether the re-appropriation is justifiable.'

"I want to ask whether there are any other re-appropriations except those that are formal?"

The Hon'ble Mr. MANT:—"As I have stated in my answer, many of them are formal, but not all."

His Honour the PRESIDENT:—"Does the Hon'ble Member want to ask a supplementary question?"

The Hon'ble Rai Bahadur SHADI LAL:—"The second portion of my question has not been answered."

The Hon'ble Mr. MANT:—"I presume the Hon'ble Member wishes to know whether these re-appropriations are submitted to the Council before they are made."

The Hon'ble Rai Bahadur SHADI LAL:—"I want to know whether it is possible to inform this Council what these appropriations are and whether any explanation can be given in this Council about these re-appropriations."

His Honour the PRESIDENT:—"The question appears to be whether this Council has any voice in determining whether re-appropriations are justifiable. The answer is that the Lieutenant-Governor is responsible for the budget. In framing it he takes the advice of his Council, and after the budget is framed and presented to the Council, expenditure is incurred in accordance with that budget. But circumstances may arise in which it is necessary to determine whether some measure which was not foreseen when the budget was framed should be provided for, in addition to formal re-appropriation in regard to which Mr. MANT has given full particulars. It is not legally necessary to submit these re-appropriations to the Council, but on any important change, speaking for myself, I should undoubtedly like to take any suitable opportunity of obtaining the opinion of the Council. If the Hon'ble Member asks, if there are any means by which the Council can obtain information on the subject, it is a quite reasonable inquiry. I am not prepared to say off-hand, if any such

[ *Mr. Shadi Lal ; Mr. Fenton.* ]

arrangement exists at present by which the Hon'ble Members could ascertain what re-appropriations have been made, but I will see what I can do in the matter."

The Hon'ble Rai Bahadur SHADI LAL asked :—"Have any steps been taken to afford relief to the men of the subordinate establishments drawing less than Rs. 50 per mensem, to whose case His Honour the Lieutenant-Governor referred sympathetically at the time of the discussion of the budget in the Council and a hope was expressed that the matter would soon be taken up by the Government?"

The Hon'ble Mr. FENTON replied :—"In reply to the Hon'ble Member, I would remind him of what the Hon'ble Mr. MACLAGAN on 6th April last told the Council had been done towards improving the salaries of subordinate establishments. The cost of the police has risen from 37½ lakhs in 1904-05 to 57 lakhs in 1910-11, largely owing to increased salaries all round. Patwaris' salaries have also been considerably raised in several districts. Quite recently Government has issued orders that with effect from 1st April 1911 registration muharrirs, the majority of whom are paid at rates of Rs. 10 and Rs. 12, shall receive a minimum salary of Rs. 15 per mensem. The case of school teachers is also under consideration, and the Hon'ble Member will be supplied with a copy of the Education Department circular memo. No. 5943, dated 7th November 1910, in which their claims are dealt with.

"It should be remembered that the Civil Account Code contemplates the grant of relief in times of scarcity and high prices to subordinate establishments in the form of grain compensation allowances, and that a very heavy burden may in this way be imposed on Provincial finances. The charge for grain compensation allowances in this Province is estimated to amount to 10 lakhs per annum, and on the last occasion on which such allowances were distributed it became necessary to curtail the period of relief for sheer want of funds, as the minimum Provincial balance was in danger of being depleted. Accordingly, the suggestion has been put forward that to prevent a repetition of such a stoppage of grain compensation allowances in years of scarcity, the first concern of those in charge of the Provincial finances should be to build up in ordinary years a fund from which the heavy demand on this account in a year of high prices could be met. The advisability of creating such an insurance fund in preference to the policy of expending available surpluses on all-round increases of salaries of all subordinate officials, which owing to the limited sums available might be microscopical in amount, is a question in regard to which the Finance Committee of this Council will be invited to express an opinion. The Lieutenant-Governor authorises me to say that personally he would prefer to see salaries raised and no grain compensation given or at any rate only given for real scarcity. There is also the policy of taking up sympathetically cases of specially low salaries that call for relief, and this is the policy which has been pursued up to the present and will be pursued pending the outcome of the inquiry into prices which has been instituted by the Government of India. It is possible that if as a result of this inquiry a case is made out for an all-round increase in salaries, the Government of India may be moved to grant the necessary subventions to Local Governments, seeing that existing financial settlements, at any rate the settlement to which this Province is subject, do not really admit of any substantial increase being made in salaries all round."

The Hon'ble Rai Bahadur SHADI LAL asked :—"Will the Government be pleased to state whether certain roads previously maintained by the Public Works Department have recently been transferred to Local Boards, and if so, whether the grant made to the Local Boards for the maintenance of the roads is less than the actual cost of maintaining those roads? Will the Government consider the desirability of making up the loss thus caused to the Local Boards?"

[ *Mr. Fenton ; Mr. Currie ; Seth Adamji Mamooji. ]*

The Hon'ble Mr. FENTON replied :—" With effect from 1st April 1910, some 400 miles of newly constructed roads, together with 600 miles of what are called old feeder roads, the cost of maintenance of which was shared in moieties between Provincial and District Funds, were transferred for future maintenance to District Boards. The additional burden which the transfer imposes on District Funds is estimated at Rs. 3,86,165 per annum, and to meet this outlay Government has assigned 3 lakhs per annum to District Funds. It is true that the assignment falls short by Rs. 86,165 per annum of the estimated expenditure, but it is believed that the actual expenditure in the early years of the new arrangement will fall short of the estimated annual average, and meanwhile owing to revision of settlement the local rate income of District Boards is increasing. It was also hoped that the District Boards might be able to work at cheaper rates. In making the distribution of the assignment these considerations were taken into account. It was also intimated that where necessary Government would sanction proposals for the collection of tolls on wheeled traffic on branch roads where such a measure was called for by the requirements of road maintenance. Full particulars of the circumstances of the transfer under discussion will be found in the circular of the Public Works Department, No. 1 B., dated 28th March 1910. It should be remembered that a few years ago Government made a recurring grant of 3½ lakhs per annum to District Boards for certain specified purposes, the chief of which was the improvement of their Public Works establishments. This is still a matter of concern to the Local Government, and when financial conditions admit of this, further attempts will be made to strengthen the resources of District Boards for dealing with public works, and especially with roads which are of vital importance to the development of the district and to the prosperity of the people and in which the members may be reasonably expected to take a special interest."

#### LAW OF ARBITRATION IN THE PUNJAB.

The Hon'ble Mr. JAMES CURRIE presented the report of the Select Committee on the Bill to amend the Law of Arbitration in the Punjab. He said :—" The Committee are of opinion that in place of clause 2 of the Bill the following clause should be substituted :—

'On the issue of a notification by the Local Government under section 2 of the Indian Arbitration Act (IX of 1899), the Act shall, within the local area so notified, apply only to written agreements, submissions or references thereon in which the parties expressly declare that it shall apply.'"

The Hon'ble Mr. CURRIE moved that the Bill as amended by the Select Committee be taken into consideration.

The motion was put and agreed to.

The Hon'ble Mr. CURRIE moved that the Bill as amended by the Select Committee be passed.

The Hon'ble Khan Bahadur Seth ADAMJI MAMOOJI said :—" Your Honour, I would like to make a few observations in support of the Bill introduced by my Hon'ble friend Mr. JAMES CURRIE. We all know that trade is progressing very rapidly in this Province, and so with the expansion of trade the laws which govern the disputes and disagreements arising therefrom should undergo some change to meet the requirements of the time. There is a Law which answers this purpose and settles intricate points in connection with the export and import matters, but as it stands, its scope seems very wide, and

it is feared, if its application is given effect to in its present form, it may not produce the desired result. To avoid this apprehension the definition of 'submission' as given in the Indian Arbitration Act of 1899 should be restricted as recommended by the Select Committee. I think the proposed amendment is most desirable in order to avoid the cramping of ordinary contractual transactions; otherwise the procedure prescribed by the Act of 1899 will have to be followed in every case of agreement to arbitrate when the Act is extended to any town in the Punjab.

"Your Honour, I gather from the introductory remarks of my Hon'ble friend Mr. CURRIE that the proposed Bill when passed into law shall apply only to Delhi, and further that as progress is made and other trade centres develop, the Act can be extended to them. From these observations I feel tempted to remark, if my Hon'ble friend would pardon me, that he has been actuated by selfish motives in the matter, because he seems anxious to usurp all the benefits of the new Act to himself and his friends, who have the good luck to have their head-quarters of business at Delhi. I wish he had thought generously of other centres as well, where business is growing fast and every-day necessity is felt for a law like the one to be passed now, to govern the trade people's disputes such as non-delivery in time, non-conformity with standard pattern, and several other objections of a similar nature which afford an opportunity to the indentors or contractors in case of the fluctuating condition of the market to advance excuses for not retiring drafts or taking or giving delivery of goods in time. To surmount these obstacles in the progress of trade, and to bring about an amicable settlement between the parties, intervention of a third person is considered desirable. Up to this time it has been the practice in all big centres of trade to have recourse to law, in order to have the knotty questions of trade determined, which course, I emphatically say, is admitted on all hands to be very lengthy, tedious and costly. Litigation is very injurious to trade, and usually causes great waste of time and money and helps to create ill-feeling between the parties. As the backbone is to the body, so is trade to a country, and as the body is bound to suffer by any derangement of the backbone, so a country must suffer by neglect of the laws governing the development of trade. The more we continue to find means to avoid litigation, specially regarding commercial matters, the more we will advance the interest of trade and help its growth. Under the circumstances, I would request Your Honour to kindly extend the application of this new Act to all the important towns in the Punjab. I, on behalf of the mercantile community to which I have the honour to belong, crave Your Honour to have this Bill passed into law and grant extension of its application to all the important towns of this Province. I trust it will receive the support of this Council."

The Hon'ble Khan Bahadur Khwaja YUSAF SHAH said:—"Your Honour, the clause as recommended by the Select Committee is an improvement upon the original clause, and I think it is much more reasonable than the corresponding section (section 2) of the Indian Arbitration Act, IX of 1899. Here the parties have an option. If they wish to have their disputes settled by arbitration, they may expressly declare as one of the conditions of the contract that this Act shall apply. If they do not wish to have themselves governed by the Act, they are simply to keep silent.

"Arbitration has its advantages. In different localities different usages exist. An outsider Judge cannot become acquainted with intricate modes of different livings, and knowledge of persons in touch with litigants is a matter of no small consequence. To my mind the greatest advantage that arbitration has is that it is free from delays and uncertainty of the law."

[ *Khwaja Yusuf Shah ; President ; Mr. Humphreys.* ]

"No doubt there are persons who consider that arbitration has its disadvantages too ; among others, the decision of arbitration being final, there is no appeal from it. It is decidedly better therefore that parties to a contract may choose themselves, while entering into a contract, whether they will have their disputes settled by arbitration or by Courts of Justice.

"No doubt the Select Committee in substituting the clause it now stands, and leaving it to Government to extend it to such local area as it deems fit, have considered that the mode of this procedure should be extended with caution, but I am of opinion that it will confer considerable benefits on commercial classes, and that later on Government will not hesitate to extend it, if not to the whole Province, at least to its large commercial towns.

"With these few observations, I support the Bill in its present form."

His Honour the PRESIDENT said :—"I am glad to find that the little difference of opinion due mainly to a misconception which apparently existed last spring as to the desirability of introducing this measure in the Punjab has entirely disappeared. Apparently all Hon'ble Members desire that this Bill should be passed into law, and it is a source of satisfaction to find that the three gentlemen on this Committee who represent the commerce of our large cities are most anxious that the Act should be passed as soon as possible in order that it may be applied to other large commercial centres.

"Power has been reserved in the Bill to extend it wherever it may be found desirable. I can assure the Hon'ble Members that whenever there is a desire expressed on the part of traders in important commercial centres that the Act should be extended to their centres, the Local Government will so extend it.

"It is also possible that the Act may be found useful in other directions, but on this I do not desire to say anything further at present."

The motion was put and agreed to.

### PUNJAB COURTS BILL.

The Hon'ble Mr. HUMPHREYS moved for leave to introduce a Bill further to amend the Punjab Courts Act, 1884, and the Court Fees Act, 1870. He said :—"The history of the law of civil appeal in the Punjab is long and complicated. It will be within the knowledge of Hon'ble Members that in the matter of further appeals the Punjab has hitherto enjoyed exceptional license as compared with the majority of the rest of the Provinces in India. Previous to the reorganization of the Commission in 1884 there was practically no separate judicial branch of the service, and Commissioners and Deputy Commissioners exercised powers as civil as well as criminal judges. With the passing of the Punjab Courts Act in 1884, the foundations of a separate judicial branch were laid and Division Judges, District Judges and Munsifs were created. To prevent miscarriage of justice with a new and largely untrained judicial service, very wide powers of second appeal to the Chief Court were at the same time granted which have been somewhat curtailed at various times since by amending Acts as the quality of the judicial branch of the service improved. The last amendment was made in 1899 when the Secretary of State remarked in giving his approval to the legislation then proposed : 'I must not be understood as accepting the view that the system of appeal in the Punjab should be permanently different from that established for the rest of India.'

"Even as thus restricted by the amending Act of 1899 the work of the Chief Court was found to be so heavy that continual demands for extra Judges to cope with it had to be made. In 1905 the Hon'ble Judges of the Chief Court represented that 'if the law of appeal in this Province were placed on the same footing as that of Regulation Provinces, five Judges would be able to dispose

[ *Mr. Humphreys.* ]

of the work of the Court . . . . . The Judges are of opinion that the question whether the decisions of First Appellate Courts on facts in all cases, except cases involving questions of custom, should be final as in the Regulation Provinces, is one which is open to recommendation, and that conditions have changed since the opposite view was held by the Court.'

"In commenting on this the Secretary of State remarked: 'It is obvious that the chief cause of the accumulation of work of this Court is that questions of fact are allowed to be opened on further appeal. The Judges seem now to be of opinion that the time has come when the law of the Punjab in this respect may be assimilated to that which prevails in the rest of India. My predecessor was evidently inclined to accept this view in 1899, and as I am of the same opinion, I desire that you will consider whether the necessary legislation should not be undertaken at a very early date.' This then is the genesis of the Bill which I now ask leave to introduce.

"The old objections to taking the step urged by the Secretary of State were—(a) that our subordinate courts were weak; and (b) that our circumstances were such as to require special care in the disposal of cases relating to land or custom. In commenting on these two points the Hon'ble Judges of the Chief Court remarked in 1906 that there was little doubt that both our original and appellate courts had improved greatly since 1890. The question of the restriction of the right of second appeal naturally depends largely on the efficiency of the Judges of first appeal, namely, our Divisional Judges, and as regards these, they said: 'It is probable that Divisional Judges are in no way inferior to the District Judges in the Regulation Provinces. They have a training and experience in judicial work which, it is believed, the latter usually have not.' It is perhaps unnecessary to remind you that in Regulation Provinces District and Sessions Judges occupy a similar position to that of Divisional and Sessions Judges in the Punjab. The Hon'ble Judges, however, pointed out that Divisional Judges were much over-worked and could not consequently devote the time and care to their cases which was desirable. Since then, not only have four new appointments of Divisional Judges been created, but the lower branches of the service have also been strengthened and the whole re-graded with better prospects in the matter of emoluments. So that in point of efficiency the judicial service in the Punjab should compare very favourably with that of any Province in India.

"As regards land suits and custom, the Hon'ble Judges considered there was no reason why the Chief Court should question the decision of a lower appellate court on facts in the case of land suits, any more than in any other class of suits, but they considered that the highest court should have the widest possible powers in the matter of ascertaining custom. They held that the determination of custom differs little in its practical effect from legislation, and that it was most important that the Chief Court should be able to go into facts in cases where it has to determine custom so far as that may be necessary to determine the custom.

"So far, therefore, I think it may be admitted that the disadvantages of the present system are obvious, resulting as it does in prolonging litigation and its attendant ill-feeling and in causing uncertainty as to legal rights and liabilities. We have an improved and strengthened judiciary in no way inferior to that of other Provinces, and, thirdly, the recent revision of the Civil Procedure Code gives us a fitting opportunity of amending the law and coming more into line with other Provinces. The present Bill has been drafted to give effect to this conclusion. It reproduces the law as it stands in section 100—103 of the new Civil Procedure Code, with the addition of the words 'or custom' in new section 40 (1) (a) and (b), and with a special provision in sub-section (3) regarding cases involving custom, which has been included as a result of the

[ Mr. Humphreys. ]

discussion arising out of the claims made by the Hon'ble Judges as to the necessity for reserving power to the Chief Court to go into facts on second appeal so far as it may be necessary to do so to determine a custom, to which I have already referred. The exact form which sub-section (3) has taken requires a word of explanation. The position taken up by the Chief Court was criticised by the Secretary of State, who pointed out that it would seem that the Chief Court arrogated to itself a legislative rather than a judicial authority in this respect, and considered that a claim of this wide nature transgressed the proper functions even of the highest court of a Province. He apprehended also that the proposal would give every litigant a right of second appeal on all the facts involved, provided only he could plausibly allege that the existence of a custom having the force of law was in issue. He, therefore, suggested that a second appeal on a question of custom apart from a point of law should be provided for only when the lower appellate court gave a certificate that the alleged custom was of importance in the district, and that the evidence regarding it was so conflicting that there was substantial doubt as to its existence or validity. The certificate procedure has, however, been abandoned in deference to the arguments against it adduced by the Hon'ble Judges, and the sub-section as now drafted provides that the second appeal shall lie 'if the Chief Court is of opinion,' etc. It has, however, been thought necessary to add a sentence as sub-section (3) (a) which provides that nothing in sub-section (1) of the section shall be deemed to authorise an appeal regarding the validity or the existence of any usage or custom; thereby limiting the right of second appeal strictly to the cases specified in sub-section (3) (b). This has been considered advisable owing to some recent rulings of the High Courts (*i.e.*, Indian Law Report, XXIX Madras 24, XXVIII Allahabad 698, and XXX Allahabad 311). In the first of these rulings it was held that though section 100 of the Civil Procedure Code disallows a second appeal with reference to findings of fact, yet the existence or non-existence of such a usage is unaffected by such a disallowance. The Allahabad Court has not gone quite so far. In the former of the two rulings of that Court it was admitted that whether a custom existed or not was a question of fact, but this was qualified by the condition that where the lower appellate court has acted upon illegal evidence, or has come to a decision upon evidence as to the custom which is *legally insufficient* to establish it, the High Court may treat the question as one of law. The later Allahabad ruling quoted approves of the previous view. It was felt therefore that, if this was to be the interpretation of the section of the Code, the Bill would not achieve its object. Hence the new sentence which has been added as sub-section 3 (a).

" Following on the alteration in the law of appeal, it is proposed to repeal section 70 of the Courts Act, thus bringing the revisional jurisdiction of the Chief Court in line with the Code of Civil Procedure, and as a consequence to abolish the special provisions as to fees on applications for revision. These proposals follow naturally on the alterations proposed in the matter of appeals, and do not appear to require any explanation or justification.

" The only other point to which I need refer is that dealt with in clause 7 of the Bill, in which it is proposed that in the case of suits for revenue-paying land the value for the purpose of calculating court-fees shall be taken to be ten times the land revenue assessed instead of five times as at present. The necessity for this proposal will, I think, be admitted when we remember that the existing scale was fixed forty years ago when land values were only a small fraction of what they are at the present day, whereas the enhancement of land revenue has been on a very much smaller ratio during the same period. In fact the disparity is now so great that on an average the sale price of land amounts to very close on one hundred times the land revenue assessed on it.

[ *Mr. Humphreys; Khwaja Ahad Shah; Mr. Fenton.* ]

It accordingly appears to be only just that in the matter of court-fees on land suits this large disparity, which has arisen, should be in some small measure redressed.

"With these remarks, I beg to move for leave to introduce the Bill."

The motion was put and agreed to.

The Hon'ble Mr. HUMPHREYS introduced the Bill, and moved that the Bill—

- (a) be circulated for the purpose of eliciting opinion thereon;
- (b) with Statement of Objects and Reasons, be published in the *Punjab Gazette*, English and Urdu;
- (c) be referred to a Select Committee consisting of the Hon'ble Mr. DOUIE, the Hon'ble Mr. FENTON, the Hon'ble Lala SHADI LAL, the Hon'ble Mian MUHAMMAD SHAFI, and the Mover.

The Hon'ble Khwaja AHAD SHAH spoke in Urdu, a translation of which is as follows :—

"I wish to say something in a brief manner on the Bill which is being presented by the Hon'ble Mr. HUMPHREYS and which will affect certain Acts and the interests of the persons litigating thereunder.

"My object in saying this is that although the Hon'ble Members whose names have been proposed by the Member in charge for the Select Committee are commendable and capable of forming sound opinions, yet it appears to be expedient to appoint some more Members on this Committee who may represent those people who are not in Government service and do not follow the profession of law, as the effect of the said Bill will fall upon them also.

"I present this argument with a view to remove the doubts of the general public; because, as far as my knowledge goes, the public will have more confidence in the opinion of one who deems his own interests as much affected by this Bill as those of the public."

His Honour the PRESIDENT asked if the Hon'ble Member could suggest the name of any Member, and on his expressing his inability to do so, his name was added to the Select Committee.

The motions were put and agreed to.

#### COLONIZATION OF GOVERNMENT LANDS (PUNJAB) BILL.

The Hon'ble Mr. FENTON moved for leave to introduce the Colonization of Government Lands (Punjab) Bill. He said :—"Your Honour, I move for leave to introduce a Bill to make better provision for the colonization and administration of Government lands. The existing enactment under which such lands are administered is the Government Tenants Act, 1893. That Act it is now proposed to repeal.

"With the history and circumstances of the Punjab canal colonies most of the members of this Council are, I believe, already familiar. At any rate, to the predecessor of this Council in Sir CHARLES RIVAZ'S time the Hon'ble Mr. DOUIE presented a very complete account of the growth and development of colonization on the new canals, together with an exposition of the administrative policy which gave origin to the Government Tenants Act of 1893 and to the amending legislation undertaken by Sir CHARLES RIVAZ. It will not be necessary therefore for me to enter upon any narrative of events anterior to the passing by Sir CHARLES RIVAZ'S Council of the Colony Bill of 1907. That measure, as



[ Mr. Fenton. ]

all here are doubtless aware, never came into operation. The Governor-General in Council decided to withhold his assent from it. But in communicating this decision the Government of India did not pronounce any perpetual injunction against legislation for the administration of the colonies. On the contrary, the need for such legislation was recognised to the fullest extent. What the Government of India did require was that before undertaking any legislation for the needs of the existing situation, the existing situation itself should be made the subject of an exhaustive examination and be thoroughly overhauled. In short, the Government of India decided that the time had come to reconsider the fundamental basis of our colonization schemes, and the main issue therefore which was confided to the Committee presided over by Sir T. Gordon Walker was not whether the Bill which had been vetoed was or was not a suitable one; it was a much wider issue than that. What the Government of India were concerned to determine, and what Sir T. Gordon Walker's Committee was commissioned to examine and report upon, was the question whether Government tenants in the colonies should remain Government tenants for ever. The finding of the Colonies Committee on that issue and the decision of the Government of India thereon were only the day before yesterday announced by Your Honour to the colonists at Lyallpur. What Your Honour then told the Chenab colony *abadkars* was that after fifteen years' residence—a period which most of them have completed—they would be permitted to become proprietors on payment of a purchase fee which is estimated to amount to barely one-twelfth of the average market value of their holdings.

"It is true that for the present tenancies subject to service conditions, such as the horse, mule and camel breeding grants on the Jhelum and Chenab Canals, are excluded from this concession, as the method of securing fulfilment of the special objects with which these tenancies were created presents difficulties. The matter is still under consideration, as is also the question of the purchase rate at which the small areas on the Sidhnai and Sohag Para Canals still held in tenancy shall be converted into proprietorship. But the main principle has been established, and will immediately be carried out in practice in the Chenab and Chutian colonies, that tenants who have established a permanent residence in their colonies, and who have otherwise fulfilled the conditions of their tenancies, will be entitled to acquire proprietary rights.

"Now it will readily be realised by the Members of this Council that a Colonization Bill, which aims at little more than providing for the temporary administrative needs of a probationary period during which colonists will as tenants be qualifying for proprietorship, is, important though it be, a considerably less important measure than the Colony Bill of 1907, which, contemplating as it did perpetual tenancy, legislated accordingly for a community living permanently under administrative conditions differing from those prevailing elsewhere in the Province. Whatever adverse criticism therefore may be evoked by the Bill which I now ask leave to introduce must surely be tempered by the knowledge that those who will be subject to its provisions can after a probationary period emancipate themselves from its operation by so fulfilling the conditions of their tenancies as to qualify for the acquisition of proprietorship.

"Hon'ble Members will no doubt be interested to learn what are the precise terms on which the acquisition of proprietorship by tenants will be permitted. The precise terms are formulated in the shape of rules which I now propose to read to the Council :—

*Rules prescribing the condition on which tenants holding land in the Chenab and Chutian colonies under statements of conditions issued under Act III of 1893, other than tenants holding on service conditions, may acquire proprietary rights in their holdings.*

"1.—In the case of any tenant holding under a statement of conditions containing a provision for the acquisition of proprietary right, such right may be acquired by fulfilment of the conditions prescribed in that behalf.

[ Mr. Fenton. ]

'II.—Tenants who hold under statements of conditions not entitling them to acquire proprietary right may acquire such right on the following conditions :—

(1) The tenant must have already acquired occupancy rights. (2) Not less than fifteen years must have elapsed since the date of the commencement of the tenancy. This condition may however be relaxed by the Local Government in favour of tenants who have established a permanent residence in the colony. (3) The tenant must have complied with all the conditions of the tenancy except in so far as such conditions may have been modified by law or competent executive authority. In particular, he must have complied with the conditions (if any) relating to (a) residence and (b) cultivation. (4) The tenant must have paid in full the price fixed by Government for the rights to be so acquired. (5) The price to be paid to Government for proprietary rights shall be Rs. 12-8-0 per acre. (6) The Deputy Commissioner may refuse to allow the acquisition of proprietary rights to all or any of the tenants of any estate in which any of the following faults or defects are found to exist :—(a) Gross or repeated encroachments on the *charagah*, unallotted village site or public roads and thoroughfares. (b) Grossly insanitary conditions, *vis.*, borrow-pits within the compounds of houses; the heaping of manure within compounds instead of outside the village; and making village tanks in places other than those indicated by competent authority. (c) Persistent neglect of arboriculture in the village site. But proprietary right may in such cases be acquired, if otherwise allowable, when the defect for which it has been withheld has been remedied. (7) The Deputy Commissioner may withhold proprietary rights from the tenants of any estate in which the state of crime is such as in his opinion to disentitle the villagers to the concession. (8) Proprietary right may also be withheld from the tenants of any estate in which a breach of the canal or distributary has occurred within five years of the date of the application, if there is reason to believe that such breach was wilfully caused by residents of the estate.

'III.—The areas of squares known as *menials*' squares will remain the property of Government and will be managed by the *lambardars* or the village community according to orders to be issued by Financial Commissioner.

'IV.—A tenant who has acquired proprietary right in his tenancy will also receive proprietary right in the land allotted to him in the village site on payment at the same rates as for the tenancy.

'V.—An appeal shall lie to the Commissioner from an order of a Deputy Commissioner under these rules refusing to grant proprietary rights. All proceedings under these rules shall be subject to the control of the Financial Commissioner and the Local Government.'

"The Council will note that these rules are purely executive rules. They will not be made under the new Bill; they will not derive legal force from it or from any other enactment. But a knowledge of their existence and of their provisions is necessary to a full comprehension of the scope and limitations of the measure which I now ask leave to introduce.

"Copies of the Bill have, I believe, been placed on the benches. The scrutiny, which the majority of the colonists, looking forward as they now will to a proprietary status, will apply to it, will naturally be directed in the first instance to those of its provisions which relate to proprietors rather than to those which govern the probationary status of tenants. And what will they find in the Bill about proprietors? No more than one single clause; and this clause, they will be gratified to perceive, is of the nature of an enfranchising and emancipating provision. Not only will the peasant colonists receive a practically untrammelled right of proprietorship, but yeomen and capitalists, who at present are bound by statements of conditions which provide for the continuance of various restrictions, even after the acquisition of proprietary rights, will have practically all such restrictions swept away. Only those stipulations included in statements of conditions will be retained which are usual in all deeds of grant and sale of Government lands throughout the Province, that is to say, provisions on the subject of minerals, boundary marks, irrigation channels and arbitration. As an instance of the relief which will in this way be afforded to proprietors, I may mention that yeomen on the Gugera Branch of the Chenab Canal, who at present, even after acquiring proprietary rights,

are subject to the condition that they may not alienate without the consent of the Financial Commissioner, will in future be entirely exempted from all restrictions of the kind.

"So much for proprietors. What about the tenants? They too will have ample cause for satisfaction at what the Bill does for them. They will find that it relieves them from several existing disabilities. For instance, let me refer to clause 12. Clause 12 is as follows : —

12. Any condition included in any statement of conditions issued under Act III of 1893 which imposes an obligation of residence shall not be deemed to have been infringed by reason only of the temporary absence of a tenant who has established a permanent residence in the estate in which his holding is situated.

"None but persistent chronic absentees can in face of this clause pretend that the residence conditions operate harshly; and of course persistent chronic absentees are the bane of all colonies.

"Again, as Your Honour explained to the Lyallpur colonists, the Bill will afford relief from the Chief Court ruling which has held applicable to colony tenants the provisions of the Punjab Tenancy Act, under which so many occupancy holdings throughout the Province have lapsed and will lapse to landlords in default of male heirs descended from a common ancestor occupying the land. Government has not in practice enforced such lapses, and to demonstrate that no intention whatever of claiming them is entertained, provision is made in the Bill for a rule of succession to tenancies more favourable than the law of the Tenancy Act. These successive provisions, as Your Honour explained at Lyallpur on Wednesday, are tentative only, and are open to modification with reference to the reception they may meet with when announced to the colonists. The colonists will also no doubt have something to say with reference to a provision included in the Bill to the effect that colony proprietary tenures shall for purposes of succession be treated as ancestral and not as acquired property.

"Another concession operating as a relaxation of the conditions of tenancy is the provision which the Bill contains, permitting sub-letting by occupancy tenants for a period which may extend to seven years. Lastly, provision is made which will enable the Deputy Commissioner to waive what is now the only penalty for breach of conditions of the tenancy, *viz.*, forfeiture of the holding, in all cases in which he considers that a milder penalty will suffice.

"The Bill contains four chapters. Two of them, which relate to tenants and proprietors, respectively, I have just dealt with. There is also an introductory chapter, and there is a chapter of supplementary provisions. In this latter chapter, is the penalty clause, a clause which will naturally be subjected to the strictest scrutiny by the Council. It is a clause which applies, not only to tenants and proprietors, but to all persons in the colony. Its object is to safeguard against injury and encroachments the public properties, such as roads, canals, water-courses and the like, and the public land, whether owned by Government or reserved for the common purposes of the colonists. Recent inquiries have demonstrated the urgent need for the provision of adequate grazing areas if the stock of cattle necessary to agriculture is to be maintained; and this Council will no doubt support the enforcement of penalties against those members of the community who by fraud, stealth or violence would encroach upon areas such as the colony *chiragahs*, which are reserved in the interests of cattle. Similar penalties are also necessary for the preservation of the public title over streets and open spaces in the village *abadis*, which do not enjoy the protection of municipal law.

[ Mr. Fenton ; Mr. Muhammad Shafi ; President. ]

" But if the supplementary chapter contains a penalty clause, it also contains a provision which cannot fail to be regarded as a boon by proprietors and tenants alike. In many colony villages there is levied from non-agriculturists, shopkeepers, artisans and other outsiders who take up residence in the *abadi* a site or ground rent, commonly known as *kiraya teh zamini*. Technically the charge is imposed as land revenue under Act XVII of 1887, and from this source Government realises over a lakh per annum. This income Government proposes to make over as a present to the colonists. That it to say, it will be left to the body of proprietors or tenants, as the case may be, to make their own arrangements for the levy and collection of these 'ground' rents from non-agricultural residents, the levy being treated as a village cess, of which the proceeds will be available for the *malba* fund of the village. The remaining provisions of the Bill are mainly concerned with the simplification of procedure and the validation of acts done in the past, including the validation of titles which may have been affected by incomplete adherence to the formalities of signing the registers maintained under the Act of 1893. However, Members will be able to scrutinise the Bill for themselves. Ample time and opportunity will be given for its examination, and to the representations of all persons affected by it the Council will I am sure be ready to accord the most careful consideration.

" With these remarks, I now move for leave to introduce the Bill."

The Hon'ble Mr. MUHAMMAD SHAFI said :—" In supporting the motion before the Council, I desire to express my satisfaction at the announcement made by Your Honour on the occasion of the opening of the Lyallpur Agricultural College the other day and again repeated in this Council that the Government proposed to confer proprietary rights on tenants in their lands on payment of a moderate price. It will be within Your Honour's recollection that shortly after that unfortunate Punjab Colonization Bill of Sir CHARLES RIVAZ was vetoed by Lord Minto's Government, I ventured to submit a confidential memorandum giving my diagnosis of the disease and strongly urging Government the desirability of granting proprietary rights to tenants, and stated that that was the only cure. Again, when the Punjab Government summoned me before the Colony Committee, I ventured to impress the necessity of granting proprietary rights in their lands.

" I rejoice that at last Government have decided to do what seems to me a generous, but at the same time a necessary, step in order to settle satisfactorily various complicated problems. To my mind the grant of proprietary rights to the tenants in these colonies will be greatly appreciated by the various communities concerned, and it will deepen the hold of sincere loyalty to the British Government, of which these colonies have already given proof.

" The Bill has been placed in our hands only this morning, and I have not had time to go through the various points elicited in the statements made to the Council to-day. It seems to me, however, that the provisions of this measure are a distinct improvement upon the Bill which was vetoed by Lord Minto's Government. I strongly support the Hon'ble Mr. FENTON'S motion for leave to introduce this Bill."

His Honour the PRESIDENT said :—" I have nothing to add to the remarks which have fallen from the Hon'ble Mr. FENTON, except to point out that at present, as regards proprietorship, we are dealing only with the Lower Chenab and Chunion colonies."

The motion was put and agreed to.

[ Mr. Fenton. ]

**Bill=** The Hon'ble Mr. FENTON introduced the Bill, and also moved that the

- (a) be circulated for the purpose of eliciting opinion thereon ;
- (b) with Statement of Objects and Reasons, be published in the *Punjab Gazette*, English and Urdu ;
- (c) be referred to a Select Committee consisting of the Hon'ble Mr. DOUIE, the Hon'ble Lieutenant-Colonel PARSONS, the Hon'ble Sayad MAHDI SHAH, the Hon'ble Malik MUBARAZ KHAN, the Hon'ble Sardar SUNDAR SINGH, and the Move.

The motions were put and agreed to.

### ADJOURNMENT.

The Council adjourned *sine die*.

LAHORE :

S. W. GRACEY,

*Secretary to the Legislative Council,*

*The 16th December 1910.*

*Punjab.*