His desire to be the creator of constitutional law rather than the interpreter ultimately prevailed. Then he was appointed as an officer on special duty with the status of a secretary in the Governor-General's Secretariat on the reforms side.¹⁰

5. RAU COURT OF INQUIRY (1940)

Even during the time he was holding the post of a judge of the Calcutta High Court, B.N. Rau was required to attend to two other important assignments. Soon after he was appointed as a judge of the High Court of Calcutta, B.N. Rau was requested to shoulder the responsibility of a wage adjudication at Bombay. There was a dispute raised by employees of the G.I.P. Railway (The Great Indian Peninsular Railway), regarding the payment of dearness allowance to them and their other conditions of service. Government of India thought that the best way to evolve an appropriate formula regarding the determination of the dearness allowance payable to the railwaymen was to constitute, under the Trade Disputes Act, 1929, a Court of Enquiry under the chairmanship of a High Court judge. Accordingly, B.N. Rau was appointed as the chairman of that body, which came to be known as the 'Rau Court of Enquiry'. The Court of Enquiry submitted its Report in 1940. The Court found that the claim for dearness allowance was justified, as the need for its payment arose out of the rise in prices for which the employees were not responsible. But it recommended payment of dearness allowance at a flat rate, and not as a percentage of the basic salary of the official concerned. Report was criticised by some on the ground that it was inequitable. But the immediate effect of the Report was that the government commenced to supply essential articles to its officers and servants at concessional rates. This had the effect of neutralising in a substantial measure the effect of increasing prices. The Rau Court of Enquiry was the forerunner of a series of committees and pay commissions appointed subsequently to go into the question of dearness allowance. In fact, Rau turned out to be a path finder in an evergrowing and complex area of labour relations.

^{10.} See "Officer on Special Duty", infra p. 16: