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THE

COUNCIL OF STATE DEBATES

(Official Report)

VOLUME IV

FOURTH SESSION

OF THE

COUNCIL OF STATE 1924

DELHI
GOVERNMENT CENTRAL PRESS
1924

THE

COUNCIL OF STATE DEBATES

(OFFICIAL REPORT OF THE FOURTH SESSION)

VOLUME IV

FOURTH SESSION, 1924.

COUNCIL OF STATE.

Wednesday, 30th January 1924.

The Council met in the Council Chamber at Metcalfe House at Eleven of the Clock, being the first day of the Fourth Session of this Council, pursuant to S. 63 D (2) of the Government of India Act, and the President (the Honourable SIR ALEXANDER PHILLIPS MUDDIMAN, KT., C.S.I., C.I.E.) took the Chair.

MEMBERS SWORN:

The Honourable Sir Deva Prasad Sarvadhikary, KT., C.I.E. (West Bengal: Non-Muhammadan); the Honourable Mr. Hugh Kynaston Briscoe, C.I.E. (Bihar and Orissa: Nominated Official); the Honourable Nawab Sir Amiruddeen Ahmed Khan Bahadur, K.C.I.E., of Loharu (Punjab: Nominated Non-Official); the Honourable Sir Muhammad Rafique, KT (Delhi: Nominated Non-Official); the Honourable Sirdar Charanjit Singh (Punjab: Nominated Non-Official); the Honourable Mr. Alexander Montagu Stow, O.B.E. (Punjab: Nominated Official); the Honourable Mr. John Peronnet Thompson, C.S.I. (Political Secretary); the Honourable Mr. David Thomas Chadwick, C.I.E. (Secretary, Commerce); the Honourable Mr. Raghunath Pandurang Karandikar (Bombay: Non-Muhammadan); the Honourable Maulvi Abdul Karim (East Bengal: Muhammadan).

DEATH OF NAWAB SIR BAHRAM KHAN.

THE HONOURABLE THE PRESIDENT: I regret to have to inform the House that since we last met news has been received of the death of the Honourable Nawab Sir Bahram Khan, Chief of the Mazari tribe, who was a Member of the Council of State since its commencement. I think I may say that he was a very popular Member and I am quite sure that the news of his death will be received with great regret. As I have said,

the late Sir Bahram Khan was the Chief of the Mazari tribe, and I understand that for many years he exercised great influence not only in his own district but throughout the frontier. On that point, however, there are several members in this Council who are more able to speak than I am. I have myself known our deceased friend for some years. He was, I think, a Member of the Punjab Legislative Council. He was certainly at one time on the Imperial Legislative Council and he was, of course, a Member of this Council. He was somewhat handicapped in taking part in our debates owing to the language difficulty, but his short pithy speeches in the vernacular were always received with the greatest applause from all quarters of the House. It was a matter of great regret, I think, that he was handicapped in that way because in personal conversation no one who talked to him for any length of time could have failed to notice that he was a man of great ability and a natural leader. By his death the Council loses a venerable and picturesque personality. His very appearance was a reminder to us of the very wide interest which the Indian Legislature has in its charge. I am sure it will be the unanimous desire of this House that I should convey in your name our regretful sympathy to his relatives.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): While endorsing every word that you have kindly said about the late Nawab Sir Bahram Khan, I am glad that I have been given an opportunity to say a word or two for a great friend of mine. His friends in the Council and outside it are hundreds and thousands. All who came across him know of what calibre he was made. His personal services throughout his life were unique. Not only in his own district, which is Dera Ghazi Khan, but in the whole of Baluchistan he exercised great influence, and the administrative heads asked for his valuable opinion on all difficult subjects. He did not only join the *jirgas* in his own district but he used to go to Port Sandeman and even to Quetta. Whenever there was a very difficult work, which was not easy to solve, he was the man who was always consulted. His father was with Robert Sandeman when he wrote *veni, vidi, vici*. The father of the present Nawab was with Robert Sandeman when the whole of Baluchistan was annexed to the British Crown. Although he did not know English he was well-versed in Persian as well as in Urdu. His own language was very much akin to Persian and he was, I think, quite a hundred years ahead of his own Baluchis. He was one of the very greatest men in Baluchistan. When there were disturbances in 1915, he was able to send 150 wild Baluchis, who joined at Muzaffarnagar and quelled all the disturbances in no time. His services were very much appreciated by the Government. He was knighted and the honour of Nawabship was also conferred upon him. Just before his death—it was only 10 days ago when I saw him—he was quite hale and hearty. He stayed about two weeks in Lahore simply to show to the public that he was thankful to his friend Sir Michael O'Dwyer. He stayed in Lahore in order to give his evidence, although he was not well and many people advised him to go home. But he had good blood in him and said that, though he might die, he would stay till he had said all he had seen. I am very thankful to you, Sir, for having been good enough to think of sending a message to his family. I had been to his house just about 10 days after his death, and they were all very thankful for the kind messages from His Excellency the Viceroy and His Excellency the Commander-in-Chief which they had received.

THE HONOURABLE MR. C. A. BARRON (Delhi: Nominated Official): Sir, as the senior Punjab officer serving on this Council I desire to associate myself on behalf of all officers of the Punjab services with the tribute which you yourself and the Honourable Sir Umar Hayat Khan have paid to the memory of the late Nawab Sir Bahram Khan. In doing so, I may perhaps be allowed to strike a personal note, which is, I fancy, rather unusual on such occasions. For, Sir, it was at the town of Dehra Ghazi Khan, the headquarters of the late Nawab's district, that I first saw the light of day, and I remember with the greatest pleasure that when, some years after my return to India, Sir Bahram Khan and his brother Tumandars learnt this fact, they hailed me as a *hamwalan*, a term of peculiarly friendly significance on the Pathan and Baluch borders.

Sir Bahram Khan inherited a great tradition from his father Nawab Sir Imam Baksh Khan, a very well known figure on the Frontier in the latter part of the last century. He succeeded him in the chieftainship of the Mazari tribe about 20 years ago, but had for many years before that been actively associated with him in the management of tribal affairs. The ripe experience thus acquired, added to an uncommonly keen intelligence and great shrewdness, enabled Sir Bahram Khan to combine the authority required from the chieftain of a large tribe with the democratic instincts of the Baluch tribesmen. His experience, his unquestioned integrity of purpose and his dignified bearing placed him in a commanding position in the South West Punjab, and also, as we have just heard, in the Frontier districts of Sind and the neighbouring parts of Baluchistan. His great influence, which he always wielded for the preservation of peace and order on the border, was of peculiar value at the annual Baluch Jirga held each autumn at Fort Munro for the settlement of outstanding disputes. Here, in this Council, we shall miss his picturesque figure and his brief straightforward comments on current events. His departure leaves a blank in the Western Punjab which will be hard to fill. The Punjab Government and its officers all mourn the loss of a wise counsellor. For myself personally his departure means the close of a friendship which, if he had been spared for one year more, would have lasted for 30 years.

With these few words, I beg to endorse the tribute to the late Nawab's memory.

THE HONOURABLE MR. J. CRERAR (Secretary, Home Department): Sir, on behalf of the officers of the Government of Bombay I should also ask for an opportunity to associate myself with the words which have fallen from you, Sir, and the Honourable Members who have preceded me. I do so not only because I had for many years the honour of the late Nawab's personal friendship, but because during my service in upper Sind I was, like nearly every other officer who has served in those parts, brought into frequent contact with him in matters of public administration. I am therefore in a position, and I am sure those who have served in those parts would also desire me, to say that the sentiments to which you and other Honourable Members have given expression are fully shared and entirely endorsed by officers of the Bombay Government. I think, Sir, the mere fact that so many Honourable Members of this House have been able on independent grounds to testify to the great services and the high character of the late Nawab is the clearest evidence of the greatness of the position which he occupied and the amplest corroboration of the eulogies which you, Sir, have pronounced on his memory.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, as Leader of the House, and on behalf of the Government of India, I desire to associate myself in the tribute which has been pronounced to-day to the memory of our late colleague from all sides of the House. I personally had known the late Nawab Sir Bahram Khan ever since I returned from England after my call to the Bar. He was my colleague on the Punjab Legislative Council in the first Minto-Morley Reform Council. We worked together for many years in the local Council and afterwards as colleagues in the old Imperial Council, and here in the Council of State. He was also an office-bearer in many a provincial organisation in the Punjab in which I had the honour of taking some active part. My association with him in the public life of our Province was very close and lasted for a very long period. I held him in the highest esteem for his integrity, his sound common sense and for his natural tact and political insight, and I entirely agree with my friend the Honourable Mr. Barron that his death has left a gap in the Punjab which it will be very hard to fill.

THE HONOURABLE SIR NARASIMHA SARMA (Member for Education, Health and Lands): As a Hindu Member of the Governor General's Executive Council, and on behalf of the Hindu community, I beg to associate myself with everything that has fallen from the Honourable Members of this House.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to endorse all that our worthy President has said about the late lamented Nawab Sir Bahram Khan. Sir Bahram Khan was one of our great Punjab leaders of the old type who exercised a vast influence in the Baluch territory. I had the privilege of being his colleague on the Punjab Legislative Council for a period of about eight years and during that time I had closer contact with the Nawab. I found in him a person of great common sense and one who was very popular even among the Hindus and other classes. His loss has been greatly felt in the Punjab, and it is quite right that this House should send a message of condolence to his family.

THE HONOURABLE THE PRESIDENT: I think, after the expressions that have fallen from all sides of the House, it will probably be your unanimous pleasure that I should also direct a copy of these proceedings to be forwarded to his relatives. Let that be done.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

THE HONOURABLE THE PRESIDENT: I have a message from His Excellency the Governor General of India to communicate to the Council. It runs as follows:—

"In pursuance of sub-section (3) of section 63A of the Government of India Act, I, Rufus Daniel, Earl of Reading, hereby require the attendance of the Members of the Council of State in the Legislative Assembly Chamber at 11 O'clock a.m. on Thursday, the 31st January, 1924.

(Sd.) *READING,*

Viceroy and Governor General."

THE HONOURABLE THE PRESIDENT: I have it also in command to deliver another message:

"In pursuance of the provisions of sub-section (2) of section 63A of the Government of India Act, I, Rufus Daniel, Earl of Reading, hereby nominate the following Members of the Council of State to be on the panel of Chairmen of the said Council of State:—

In the first place, the Honourable Sir Maneckji Byramji Dadabhoy; in the second place, the Honourable Sir Zulfiqar Ali Khan; in the third place, the Honourable Sir Arthur Henry Froom; and lastly, the Right Honourable Srinivasa Sastri.

(Sd.) *READING,*

Viceroy and Governor General."

COMMITTEE ON PETITIONS.

THE HONOURABLE THE PRESIDENT: Under Standing Order 76 of the Council of State Standing Orders, I am required, at the commencement of each Session, to constitute a Committee on Petitions consisting of a Chairman and four members. I accordingly, having consulted the gentlemen concerned, have much pleasure in nominating the Honourable Mr. Pheroze Sethna to be Chairman of the Committee, and the following to be members, namely:

The Honourable Maharaja Bahadur Keshava Prasad Singh of Dumraon;

The Honourable Colonel Nawab Sir Umar Hayat Khan;

The Honourable Sir Annamalai Chettiyar; and

The Honourable Lala Sukhbir Sinha.

QUESTIONS AND ANSWERS.

IMPROVEMENT OF VIZAGAPATAM HARBOUR.

1. THE HONOURABLE SIR AHMEDTHAMBY MARICAIR: (*a*) With reference to my question No. 97* asked at the meeting of the Council held at Delhi on the 12th February 1923 and the Government answer thereto will Government be pleased to state whether they have since arrived at a final decision in the matter of improving the Vizagapatam Harbour?

(*b*) If not, will Government be pleased to state whether they are going to consider this important question?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) The answer is in the negative.

(*b*) The question is already under consideration.

OPENING OF THE PORT OF MADRAS FOR PILGRIM TRAFFIC.

2. THE HONOURABLE SIR AHMEDTHAMBY MARICAIR: Will Government be pleased to state what steps they have taken to open the port of Madras for pilgrim traffic to Mecca and other holy places?

THE HONOURABLE SIR NARASIMHA SARMA: It has not been found possible to take steps to open the port of Madras for pilgrim traffic to Mecca and other holy places, since the Honourable Member moved his

* *Vide* Council of State Debates, Volume III, pages 691-692.

Resolution on the subject in this Council in July 1923. There is still need for economy. Also, as I pointed out at the time, it is difficult to move in the matter until some system has been introduced under which pilgrims who make the pilgrimage will be required to provide in advance for their return journey. The Government of India have the matter in mind and I can assure my Honourable friend that it will not be lost sight of.

THE HONOURABLE LALA RAM SARAN DAS: In the absence of the Honourable Mr. Samaldas, can I ask question No. 3?

THE HONOURABLE THE PRESIDENT: Has the Honourable Member authority?

THE HONOURABLE LALA RAM SARAN DAS: No, but . . . .

THE HONOURABLE SAIYID RAZA ALI: May I point out, Sir, that under Standing Order 18, it is open to any member with your permission to put the question without any authority being given by the Member?

THE HONOURABLE THE PRESIDENT: The Honourable Member is perfectly correct, but the rule does not debar me from asking whether the Honourable Member has authority or not? (Laughter.)

THE HONOURABLE LALA RAM SARAN DAS: Have I your permission, Sir, to put the question?

THE HONOURABLE THE PRESIDENT: If the Honourable Member attaches importance to the question, he can put it.

STORES PURCHASE RULES.

3. THE HONOURABLE MR. LALUBHAI SAMALDAS: Will the Government be pleased to state whether the recently framed Stores Purchase Rules are made applicable to—

(i) New Delhi, and

(ii) Sukkur Barrage?

THE HONOURABLE MR. A. H. LEY: It is presumed that the Honourable Member is referring to the draft Stores Purchase Rules framed by the Railway Industries Committee. These have not yet been finally approved. When they have been approved, they will apply, as do the existing rules, to New Delhi. The revision of the rules applicable to Governor's provinces (and therefore to the Sukkur Barrage scheme) is still under consideration.

EXPENDITURE ON THE ECCLESIASTICAL DEPARTMENT.

4. THE HONOURABLE MR. LALUBHAI SAMALDAS: (*a*) Will the Government be pleased to lay on the table a statement showing the total expenditure on Ecclesiastical Departments (both Central and Provincial) in the years 1914 and 1923?

(*b*) Will they further be pleased to state whether the Government intends to continue this expenditure permanently?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) All expenditure on the Ecclesiastical Department is Central. It amounted to Rs. 19,08,283 in 1914-15. The budget provision for 1923-24 was Rs. 32,83,000. The actual figures are not yet available.

(*b*) The answer is in the negative. A scheme of reduction has been framed recently under which it is hoped to save Rs. 4,30,000 annually, the bulk of it by the end of 1925-26

REPORT OF THE ALLIANCE BANK INQUIRY COMMITTEE.

5. THE HONOURABLE MR. LALUBHAI SAMALDAS: Will the Government be pleased to state whether any report has been submitted by the Alliance Bank Inquiry Committee appointed at the Bank's general meeting in Calcutta and, if so, will they be pleased to lay on the table a copy of their report.

THE HONOURABLE MR. A. C. McWATTERS: The Government have not received any report.

REPORT OF THE GOVERNMENT SECURITIES COMMITTEE.

6. THE HONOURABLE MR. LALUBHAI SAMALDAS: Will the Government be pleased to lay on the table a copy of the report submitted by the Government Securities Committee of 1921?

THE HONOURABLE MR. A. C. McWATTERS: The reports of the Bombay and Calcutta Committees appointed in 1921 to inquire into the question of the rehabilitation of Government securities were published for general information with a Communique on the 19th September 1921. I shall be glad to supply the Honourable Member with a copy of the same.

MINING CONCESSIONS AND FOREST MONOPOLIES.

7. THE HONOURABLE MR. LALUBHAI SAMALDAS: (*a*) Will the Government be pleased to lay on the table a statement giving information about the grant of concessions for mining rights, as well as monopolies for working in forests at present existing in various provinces?

(*b*) Will they also be pleased to state what use is made of the same by the parties to whom concessions are granted?

THE HONOURABLE MR. A. H. LEY: (*a*) Concessions for mining rights are granted by Local Governments in accordance with rules made by the Governor General in Council, and sanctioned by the Secretary of State. The Government of India are not able to lay on the table a statement showing details of all the concessions granted by Local Governments, but if the Honourable Member wishes for any particular information, I shall be glad to give him such information as is readily available. As regards forests the Government of India are not primarily concerned with forest administration in the provinces and have no information on the subject. In the areas under their own control no monopolies have been granted.

(*b*) Mining concessions are, of course, used to win minerals. If a lessee does not carry on mining operations in a proper workmanlike manner, the rules empower the Local Government to terminate the lease.

RAILWAY CONCESSIONS TO COMMERCIAL TRAVELLERS.

8. THE HONOURABLE MR. LALUBHAI SAMALDAS: Will the Government be pleased to give a list of the concessions given by Railways to commercial travellers and state the nationality of each commercial firm to whom the concession is granted?

THE HONOURABLE MR. D. T. CHADWICK: A concession of half rates for luggage including packages of samples is allowed by railways to commercial travellers representing recognised trades or firms. In addition,

the Madras and Southern Mahratta Railway have, as an experimental measure, granted a concession on first class tickets. These concessions are available to all and there is no question of nationality.

PURCHASE OF STORES IN INDIA, GREAT BRITAIN, ETC.

9. THE HONOURABLE MR. LALUBHAI SAMALDAS: Will the Government be pleased to give the figures of the value of stores purchased during the last three years for (*a*) State Railways, and (*b*) Public Departments of the Central Government from:—

(i) India,

(ii) Great Britain, and

(iii) Other countries?

THE HONOURABLE MR. A. H. LEY: I place on the table a statement showing the expenditure on stores purchased in India by (*a*) State Railways, and (*b*) other Departments of the Central Government (including minor Local Governments) for the official years 1920-21, 1921-22 and 1922-23.

As regards purchases made from Great Britain and other countries the information is not available to the Government of India. The High Commissioner for India has been asked to furnish the figures, which will be supplied as soon as they are received.

Statement showing the expenditure on stores purchased in India by (a) State Railways and (b) other Departments of the Central Government (including minor Local Governments) for the official years 1920-21, 1921-22 and 1922-23.

	1920-21	1921-22.	1922-23.
	Rs.	Rs.	Rs.
State Railways	4,09,77,335	6,69,77,199	6,34,32,565
Central Departments (including minor Local Governments).	2,20,87,729	2,10,7[illegible],138	1,49,49,167

Note:—The statement does not include figures relating to (1) purchases of articles of the same kind and of an aggregate value not exceeding Rs. 50 at one time and place (2) purchases made by contractors for Government works, (3) purchases invariably made in India, such as bricks, Indian lime and mortar, Indian timber, etc., and (4) purchases made by or on behalf of the military authorities.

ISSUE OF GOLD COIN FROM PUBLIC TREASURIES.

10. THE HONOURABLE LALA SUKHBIR SINHA: (*a*) Will Government be pleased to state the grounds on which the issue of gold coin from public treasuries has been stopped?

(*b*) Is the Government aware that by this stoppage the public is put to great inconvenience?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) The Government cannot for obvious reasons issue sovereigns so long as gold in India stands at a premium as compared with the legal tender ratio of Rs. 10 to the sovereign.

(*b*) Government is not aware that any serious inconvenience is being caused to the public.

GOLD COINAGE IN THE BOMBAY MINT.

11. THE HONOURABLE LALA SUKHBIR SINHA: Is it under contemplation to reopen the gold coinage in the Bombay Mint as was the case before and, if not, why?

THE HONOURABLE MR. A. C. McWATTERS: The Honourable Member is referred to the reply given to a question* on the same subject put by the Honourable Sardar Jogendra Singh on 20th March, 1922. The position is still the same, namely, that the Indian Mints are prepared to coin gold as soon as the demand for gold currency arises, but no such demand can arise so long as the present premium on gold as compared with its statutory parity exists.

EXPENDITURE ON IMPORT OF FOREIGN MEDICINES.

12. THE HONOURABLE LALA SUKHBIR SINHA: (*a*) Is there any pharmacy at present in any province?

(*b*) What amount of money is spent in importing foreign medicines from outside?

(*c*) Can they not be manufactured here out of the indigenous materials?

THE HONOURABLE SIR NARASIMHA SARMA: (*a*) Yes.

(*b*) The information required is to be found on pages 460 and 544 of the blue book entitled "Statistical Abstract for British India, 1911-12 to 1920-21" published by the Commercial Intelligence Department of the Government of India in 1923.

(*c*) The bulk of the drugs imported by Government either cannot be manufactured in India or manufactured only in insufficient quantities. Government have every sympathy with the desire expressed and make full use of such drugs as are available locally.

INDIAN DRUGS MANUFACTURE COMMITTEE.

13. THE HONOURABLE LALA SUKHBIR SINHA: (i) What work has been done up till now by the Indian Drugs Manufacture Committee?

(ii) When was it established?

(iii) How much money have they spent?

(iv) What drugs are now manufactured here on commercial scale?

THE HONOURABLE SIR NARASIMHA SARMA: (i) The work done by the Indian Drugs Manufacture Committee is described in the Committee's annual reports. A set of these reports will be supplied to the Honourable Member.

(ii) In May, 1919.

(iii) Rs. 4,815.

(iv) Lists of drugs manufactured on a commercial scale in India will be supplied to the Honourable Member.

* *Vide* Council of State Debates, Volume II, page 1129.

SEPARATION OF JUDICIAL FROM EXECUTIVE FUNCTIONS.

14. THE HONOURABLE MR. R. P. KARANDIKAR: Having regard to the assurance given on 9th March 1921 in the Council of State by Government that Government would make the necessary legislative changes on the request from any Local Government in the matter of separation of Judicial from Executive functions, will Government be pleased to state:—

(*a*) whether the proceedings in connection with the Resolution on the point, withdrawn on the aforesaid assurance, have been brought to the notice of the several Governments; and

(*b*) whether any such requests from any of the Local Governments have been received?

(*c*) if so, will Government lay on the Council table a copy each of the Local Governments' letters?

(*d*) and lastly, what action has been taken by the Government of India either on the requests of the Local Governments or independently of such requests?

THE HONOURABLE MR. J. CRERAR: (*a*) I invite the Honourable Member's attention to the Resolution of the Government of India, No. F.-196-Judicial, dated the 7th December, 1921, on the subject, which was published in the Supplement to the *Gazette of India*, and copies of which were supplied to Local Governments.

(*b*) The Government of India have received proposals from the Governments of the United Provinces, Bihar and Orissa and Bengal. The last named Local Government, however, propose to place their scheme before the Local Legislative Council for criticism and the final views of the Local Government are not yet before the Government of India.

(*c*) Government do not at present propose to lay on the table a copy of the letters received from the Local Governments named in (*b*) above.

(*d*) No action has so far been taken, pending the receipt of the final views of the Governments of Madras and Bengal.

THE HONOURABLE LALA SUKHBIR SINHA: May I ask, Sir, if the Government of India has received any definite scheme or proposals from the United Provinces Government on this subject of the separation of judicial and executive functions?

THE HONOURABLE MR. J. CRERAR: I invite the Honourable Member's attention to the terms of my reply. We have received certain proposals but not yet in their final form. Their final form is being awaited.

REGULATION OF COLONIAL IMPORTS.

15. THE HONOURABLE MR. R. P. KARANDIKAR: Is it under contemplation of Government to enforce the principle of reciprocity by regulating, in exercise of the powers of Government under the Merchant Shipping Act and Rules and Regulations thereunder, or the Sea Customs Act (VIII of 1878), the ingress into British India of articles and commodities from Colonies that do not extend equal rights of citizenship to Indians in their respective territories?

THE HONOURABLE MR. D. T. CHADWICK: If the Honourable Member will put in a fresh question explaining precisely what action he contemplates that the Government of India should take under the Indian Merchant Shipping Act or under the Sea Customs Act, I will endeavour to answer that question.

THE HONOURABLE MR. R. P. KARANDIKAR: Am I permitted to put a fresh question?

THE HONOURABLE THE PRESIDENT: Notice must be given.

SEDITIOUS LITERATURE.

16. THE HONOURABLE MR. R. P. KARANDIKAR: Is prevention in cases of seditious literature enforced in exercise of the powers under the Sea Customs Act (VIII of 1878), section 19?

THE HONOURABLE MR. J. CRERAR: The powers conferred by section 19 of the Sea Customs Act, 1878, may be utilised to prohibit the importation of seditious literature into India.

THE HONOURABLE SAIYID RAZA ALI: Is importation into India of the Right Honourable Ramsay Macdonald's book "The Awakening of India" prohibited under the Sea Customs Act?

THE HONOURABLE MR. J. CRERAR: I submit, Sir, that that question does not arise either out of the original question or my reply.

THE HONOURABLE SAIYID RAZA ALI: That is for you, Sir, to decide whether it does or does not arise.

THE HONOURABLE THE PRESIDENT: I am afraid I am against the Honourable Member.

RECONSTITUTION OF THE RAILWAY BOARD.

17. THE HONOURABLE MR. R. P. KARANDIKAR: Regarding the Resolution* adopted in this Council on 25th September 1922, in the matter of the reconstitution of the Railway Board, it has been said in a recent Government publication that as the scope of the changes, which are to be made, may be affected by the Report of the Retrenchment Committee, no decision could be arrived at until that Report had been received (*vide* last column of Appendix IV of Resumé of work of India's Parliament at Delhi, 1923). Now that the Report of the Retrenchment Committee is already in the hands of Government and as in some matters action has already been taken under it, will Government be pleased to state:—

(*a*) What changes have been contemplated now to be effected in the constitution of the Railway Board?

(*b*) How far they are affected by the Report of the Retrenchment Committee?

(*c*) What action has been taken?

(*d*) And what action is about to be taken in furtherance of the Resolution adopted?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) It is hoped to give full information about the changes contemplated in the memorandum on this years budget, which will be circulated when the budget is introduced.

* *Vide* Council of State Debates, Volume III, pages 456-465.

(*b*) The proposals are based upon the recommendations of the Acworth Committee. The Government of India believe that these recommendations were generally endorsed by the Retrenchment Committee.

(*c*) Up to date only three appointments in the new reorganisation scheme have been made, namely, those of Chief Commissioner, Financial Commissioner and Chief Mechanical Engineer. All these appointments have been recommended by the Acworth Committee.

(*d*) No Indians have been selected for the three above appointments. The Resolution referred to by the Honourable Member will be borne in mind in filling up other appointments contemplated in the reorganisation scheme, but it must be remembered that these appointments are such as can only be filled by officers with suitable railway experience and of necessary seniority, and at present there are few Indians in the senior ranks of the railway services.

STATISTICAL INQUIRY.

18. THE HONOURABLE MR. R. P. KARANDIKAR: In replying to the Honourable Mr. Kale's Resolution,* regarding statistics, moved in this Council on 25th September 1922 and adopted with some amendment, the Honourable the Secretary for Commerce observed that the inquiry recommended by the Honourable Member had already been started and agreed that the inquiry should also cover the proposal that the Statistical Abstract of British India should be published in India in future, and that it would be produced in one compact volume.

What progress has been made in the inquiry that had been already started and what action has been taken in giving effect to the Resolution adopted by the Council, beyond that noted in the 5th column of Appendix IV to the Resumé of work of India's Parliament at Delhi, 1922, published by the Director, Central Bureau of Information, Government of India?

THE HONOURABLE MR. D. T. CHADWICK: The Statistical Abstract for British India for 1920-21 was issued in India to the public last December. The issue for 1921-22 should be ready for publication in a few months time. This new issue combines in one volume both the Statistics of British India, which have hitherto been spread over five volumes, and the Statistical Abstract relating to British India, formerly published by the India Office, London.

The Director General of Commercial Intelligence has completed his examination of the question of improving the scope and form of other statistical publications issued by the Commercial Intelligence Department, and his proposals are at this moment under the consideration of the Government of India.

CESSES ON TEA, INDIGO, ETC.

19. THE HONOURABLE MR. R. P. KARANDIKAR: Cesses have been levied on tea, indigo, lac and cotton by special legislative measures by the Central Legislature. How far has the object of stimulating research and improving their quantity and marketing conditions been fulfilled?

THE HONOURABLE MR. D. T. CHADWICK: The proceeds of the cess levied under the Indian Tea Cess Act are to be devoted according to section 5 (2) of that Act to "meeting the cost of such measures as the Committee

* *Vide* Council of State Debates, Volume III, pages 465-471.

may consider advisable to take for promoting the sale and increasing the consumption in India and elsewhere of teas produced in India." Much work in popularising Indian teas has been done in India and in France and Belgium and also in the United States of America, where, at present, the Tea Cess Committee have a special organisation at work.

The cess on Indigo ceased to be levied with effect from the 1st of August last. Useful work was done out of the proceeds of the cess in connection with the manufacture of Indigo paste in India on a commercial scale.

The Act to provide a fund to be expended for the promotion of the improvement of methods of cultivation and manufacture of lac in India only became law a little over two years ago. Since then assistants have been employed to work in some of the chief lac producing areas and a research station is in process of development.

The cess on cotton was imposed only in March last. There has not been time as yet to judge of its results. Valuable work is being done by the Indian Central Cotton Committee, to whose annual report for 1923 the attention of the Honourable Member is invited.

INDIA'S EDUCATIONAL POLICY.

20. THE HONOURABLE MR. R. P. KARANDIKAR: Will Government be pleased to state if the time has come when the whole of India's Educational Policy initiated by the Educational Despatch of 1854, scrutinised by the Education Commission, revised by Lord Curzon in 1904, reviewed by Lord Hardinge (1913) and partially touched by the Saddler Commission, requires considerable change with a view to remove all obstacles in the way of India's self-determination?

THE HONOURABLE SIR NARASIMHA SARMA: With the introduction of the Reforms and the classification of Education as a provincial transferred subject to the extent shown under item 5, Schedule II to the Devolution Rules, the policy alluded to by the Honourable Member is no longer binding in Governors' provinces where, subject to the provisions of sections 52(3) and 80A(3) of the Government of India Act and Rule 49 of the Devolution Rules, the Ministers are competent to evolve their own educational policy.

GRIEVANCES OF UNIVERSITY TRAINING CORPS, BOMBAY.

21. THE HONOURABLE MR. R. P. KARANDIKAR: Will Government be pleased to say what steps, if any, Government have taken or contemplate taking for the purpose of removing the following alleged grievances of the University Training Corps, Bombay:—

(i) No comprehensive set of regulations is as yet published although the attention of the Government to this fact was drawn by the Honourable Mr. Kale in his interpellation No. 101 of September 1922.

(ii) That members of the Corps, who come to camps of exercise directly from their own homes, are not taken back to their homes at Government expense.

(iii) The usual steamer or railway concessions that were given to the members of this Corps in 1921 have been discontinued since 1922.

(iv) Members of this Corps do not get the following bonus allowance or concessions which the members of the Auxiliary Force get:—

(a) A bonus equivalent to sixteen days' pay (in addition to sixteen days' pay) at the following rates:—

Private—Rs. 2
Corporal—Rs. 3
Sergeant—Rs. 4
} for a day of four hours' actual work.

(b) An allowance of four annas per day in addition to their rations (or Rupees 2 as their equivalent) when they are embodied in camp.

(c) Railway or steamer concessions for the sake of attending parades, etc. (*vide* Great Indian Peninsula Railway Guide for March 1923, pages 131, 132, item No. 7).

(v) The mileage given to the commissioned officers of the University Training Corps was at the rate of two annas, while the rate sanctioned for the commissioned officers is eight annas per mile.

(vi) No officers' corps were attached to any regular units although certain officers of this Corps had applied as early as the year 1923 on the assurance given by Government, that such provision has been made, in reply to an interpellation (103) from the Honourable Mr. Kale in September 1922.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (i) Provisional Regulations for the University Training Corps have been drawn up and communicated to the local military authorities. The draft of the final regulations is being prepared, and I have given orders that the work should be expedited.

(ii) Under rule, members of the University Training Corps are entitled to conveyance at Government expense when proceeding to and from camps of exercise. The Honourable Member is apparently referring to some particular occasion on which it is alleged that this rule was not observed. I am causing inquiries to be made as to this, and will see that the result is communicated to the Honourable Member as soon as possible.

(iii) Government are not aware that concessions of the kind to which he refers were either given in 1921 or were discontinued since 1922. If the Honourable Member however will give me further particulars of the concessions to which he has referred, I will have the matter investigated.

(iv) (*a*) Members of the University Training Corps, like all other members of the Territorial Force, are liable to be embodied for military service; but in the case of members of the University Training Corps it is not intended to enforce this liability. As a corollary, members of the University Training Corps undergo a less rigorous course of training, and in particular attend camp for 15 days in each training year instead of 28 days. As a result of their being differentiated in these respects from members of Provincial Battalions of the Territorial Force, members of the University Training Corps are not granted any pay and allowances during training, *vide* rule 17 of the Rules issued under the Indian Territorial Force Act of 1920.

(*b*) For the reasons which have just been given, no form of pay and allowances is admissible to members of the University Training Corps.

For the period they are in camp, a lump sum grant is placed at the disposal of the Officer Commanding a unit for the purpose of meeting the whole cost of their messing.

(c) Members of the University Training Corps are granted conveyance allowance for the purpose of attending parades at the same rates and under the same conditions as members of the Auxiliary Force. When attending the annual camp, however, members of Railway units of the Auxiliary Force are granted free railway passages on their own railway lines in lieu of railway warrants or travelling allowances.

(v) Government have no information as regards this. I am causing inquiries to be made and will let the Honourable Member know the result in due course.

(vi) Individual applications for attachment are dealt with by the local military authorities, and attachments are not reported to the Government of India. I will, however, call for a special report as regards this matter also, and will communicate the result to the Honourable Member.

UNIVERSITY TRAINING CORPS.

22. THE HONOURABLE MR. R. P KARANDIKAR: Will Government be pleased to state:—

(a) why Government say in their replies to questions Nos. 100* and 102 of September 1922 that the University Training Corps is not liable to embodiment if the Indian Territorial Force Act says that the members of this Corps are liable to embodiment in camp for sixteen days in a year;

(b) whether European Officers of the Bombay University Training Corps are originally members of the Auxiliary Force and as such they are entitled to any pay or allowances for their camp of exercise;

(c) whether the European officers, referred to above, have received any pay for the camp of exercise in 1921-22 and 1923;

(d) whether members of the Auxiliary Force get any railway concessions while travelling for parades or otherwise; and

(e) whether similar concessions are extended to the members of the Indian Territorial Force also and, if the reply is in the negative, the reasons why they are not extended to them?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) I regret to say that the statement made on the occasion mentioned by the Honourable Member was not accurate. I have now made the actual position clear in my reply to part (iv) of the Honourable Member's previous question.

(b) The European officers referred to are commissioned in the Auxiliary Force and attached to the University Training Corps. They are not entitled to any pay and allowances for the period of the camp of exercise.

(c) The answer is in the negative.

(d) & (e) As stated in my reply to part (c) of the Honourable Member's previous question, members of the Auxiliary Force and of the University Training Corps receive the same concessions in respect of conveyance allowance for the purpose of attending parades. They are both granted free conveyance by rail when proceeding on duty.

* *Vide* Council of State Debates, Volume III, pages 169 and 170.

STATEMENT LAID ON THE TABLE.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to lay on the table a statement regarding important financial questions outstanding between His Majesty's Government and the Government of India. This is with reference to the question* asked by the Honourable Sir Purshotamdas Thakurdas in this House on the 16th July last.

Statement regarding important financial questions outstanding between His Majesty's Government and the Government of India.

(1) *Pension claim by War Office against India.*—This claim, which exceeds £25 millions and may be as much as £40 millions, represents a share of pensions arising out of casualties amongst British Troops who had served in India and who were employed in the Great War. The claim has been made with reference to an agreement entered into in 1870 between the India and War Offices. It is understood that this agreement is interpreted differently by the two offices the former holding that it could not have been intended to apply against India in a war of the magnitude of the Great War, while the latter argue that it was subject to no qualification.

(2) *India's further contribution to the Great War.*—In September 1918 the Indian Legislative Council offered certain additional financial assistance to His Majesty's Government towards the prosecution of the Great War on the conditions, (*i*) that there was no costly conflagration on the Indian frontier and (*ii*) that the general agricultural and financial situation of India permitted it. On the assumption that the Great War would last till March 1920, the offer involved a payment by India to His Majesty's Government of about £49 millions which included about £4 millions on account of pensionary charges of British Troops. The Great War terminated earlier. The 3rd Afghan War broke out and the agricultural situation proved worse than anticipated, with the result that in March 1920 the Legislative Council reconsidered their offer and reduced the total amount of the contribution to £13,600,000. This amount which was paid to the War Office in 1918-19 also included £4 millions on account of pensionary charges of British Troops. But His Majesty's Government would not accept as correct the figure of £4 millions as against their estimated claim for pensionary charges of British troops, *vide* Item (1). The Secretary of State has informed the Government of India that the matter was being referred to the Cabinet in England.

(3) *Expenditure in East Persia.*—During the Great War and especially towards the end of 1917 and the beginning of 1918 it was necessary to send large Military Forces from India to East Persia. The expenditure on these forces to end of 1920-21 has been debited to the War Office in the same way as charges of Military Forces despatched from India to other theatres. In view of the Military and Political interests that India possessed in East Persia the War Office demurred to bear the entire charges in this region, but it is uncertain whether they are maintaining this attitude. As expenditure in East Persia was not recorded separately in the accounts, it is not possible to state the amount disputed.

(4) *Charges of Surplus officers of the Indian Army.*—Owing to the expansion of the Indian Army during the period of the great war the strengths of officers of the Indian Army were augmented by recruitment of a large number of officers who were granted permanent commissions. With the cessation of hostilities and the post war reduction of the Army in India about 1,800 officers, mostly in the junior ranks, became surplus to requirements. These are being retired from April 1922 under special terms. The question of the basis of apportionment between England and India of the charges involved in the maintenance of the surplus officers and in the grant of special concessions on being retired, is still under discussion between the India and War Offices, the Secretary of State and the Government of India claiming 60 per cent. on the basis of the numbers recruited for special formations during the Great War, while the War Office would appear to have accepted only 50 per cent. of the charges. In a communication received in May 1923 the India Office apprehended that the matter might have to go to arbitration. The total amount requiring apportionment is about £5 millions.

(5) *Disbandment of British Troops.*—The organisation of the Post War Army in India involves permanent reductions in the strengths of British troops as compared with the pre-war sanctioned establishments. The expenditure connected with the maintenance and disbandment of the surplus troops is an Indian liability, but it will

* *Vide* Council of State Debates, Volume III, pages 1485-1486.

be incurred in England along with similar charges relating to disbandment of Surplus British troops on Imperial Establishment. The apportionment between the two Governments is still under discussion The total amount involved is not yet known.

(6) *Exchange concession on War gratuities*—War Gratuities fixed in sterling and payable on 4th August 1919 were sanctioned for British officers and other ranks as a reward for service during the great war. The cost of the gratuities in excess of the amount calculated for the normal strengths of officers and men on the Indian establishment was an Imperial liability. The rate of exchange on 4th August 1919 was 1*s.* 8*d.* the rupee. The Government of India acting upon what they believed to be the intentions of His Majesty's Government according to a telegram received from the Secretary of State, however, paid the gratuities at 1*s.* 4*d.* the rupee to British soldiers serving in India and Mesopotamia on that date. Subsequently the Secretary of State acting on what he believed to be the intention of His Majesty's Government, authorised the payment by the Government of India of war gratuities at the same rate to British officers. The loss by exchange debited to the War Office under these arrangements was estimated at £200,000 in 1921 and this amount was provisionally refunded to the War Office in 1920-21. The Government of India protested and the matter went to arbitration in England. The award of the arbitrator was against India.

(7) *Future administration of Aden and incidence of cost.*—A brief history of this item will be found at paragraphs 22 and 23 of the Retrenchment Committee's report on Political expenditure.

It has been suggested by the Government of India that the existing financial arrangement should be revised. The question is still under discussion.

(8) *Expenditure in Persia.*—Following the recommendations of the Welby Commission, diplomatic and consular expenditure in Persia is being shared equally between the Home and Indian Governments In view of the fact that Indian interests in Persia have not increased as rapidly as Imperial interests, it has been suggested that this division is no longer fair and that since Indian interests are mainly confined to East Persia, it would be preferable to avoid divided expenditure where possible. Proposals to this end have been submitted for consideration by His Majesty's Government.

BILL AS PASSED IN THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table a copy of the Bill to regulate the entry into and residence in British India of persons domiciled in other British possessions, which was passed by the Legislative Assembly at its meeting held on the 27th July, 1923.

BILLS ASSENTED TO BY HIS EXCELLENCY THE VICEROY.

THE SECRETARY OF THE COUNCIL: Sir, information has been received that His Excellency has been pleased to grant his assent to the following Bills:

The Mahendra Partab Singh Estates Act, 1923.

The Moorshedabad (Amendment) Act, 1923.

The Code of Civil Procedure (Amendment) Act, 1923.

The Indian Income-tax (Further Amendment) Act, 1923.

The Indigo Cess (Repealing) Act, 1923.

The Code of Civil Procedure (Amendment) Act, 1923.

The Special Marriage (Amendment) Act, 1923.

The Indian Territorial and Auxiliary Forces (Amendment) Act, 1923.

The Indian Lunacy (Amendment) Act, 1923.

The Indian Army (Amendment) Act, 1923.

The Cutchi Memons (Amendment) Act, 1923.

The Code of Criminal Procedure (Further Amendment) Act, 1923.

The Indian Paper Currency (Amendment) Act, 1923.

The Code of Criminal Procedure (Second Amendment) Act, 1923.

The Land Acquisition (Amendment) Act, 1923.

The Indian Ports (Amendment) Act, 1923.

The Indian Electricity (Amendment) Act, 1923.

The Charitable and Religious Trusts (Amendment) Act, 1923.

The Mussalman Wakf Act, 1923.

The Indian Stamp (Amendment) Act, 1923.

CRIMINAL TRIBES BILL.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, I ask for leave to introduce a Bill to consolidate the law on the subject of Criminal Tribes.

This legislation was, I believe, taken up as early as 1911 and since then periodically it has been coming up before the Legislature and as many as four amendments have been made to the original Act of 1911. So the law has got considerably scattered and I believe it is somewhat difficult to ascertain. Honourable Members will remember that last year, when the last amendment came up here, my Honourable friend Mr. Raza Ali proposed a number of amendments and it turned out that he was looking at an old Act and the new amendments did not appear to have attracted his notice at all. (*The Honourable Saiyid Raza Ali*: "They were not in the book".) I think he was using a copy made over to him by the library of our office and that copy had not been brought up-to-date by pasting those little bits, which they call slips, to indicate the amendments. That, I understand, is both interesting and amusing. As a rule, beneficial things are not amusing, but that one was. The problem of gathering law is a difficult one and involves the question of putting the amendments into their proper places, construing them, and so on. So this law has become rather difficult. As the original object of this law is the reclamation of these criminal tribes, as was explained, I believe, last year by the Honourable the Home Member, it is proper and meet that the whole law should be put together in one place, so that hereafter anybody wishing to have anything to do with this law may find everything put together in one place. The present Bill contains nothing new. It is only a consolidation of amendments and putting them into their proper places and bringing, so to say, the Act of 1911 up to date. Every proposition that is embodied in this new Bill has already been assented to by this Honourable Council before and I trust it is not necessary for me to explain the provisions or to indicate the principle of the Bill. I think I explained last year that these criminal tribes have a historical origin. They had their origin in the circumstances obtaining at one time, but, under altered conditions, we have no use for them and therefore the endeavour is to reclaim them and make them into respectable citizens. I do not think it is necessary at this time to explain the Bill further. So I ask for leave to introduce it.

THE HONOURABLE THE PRESIDENT: The question is:

"That leave be given to introduce a Bill to consolidate the law relating to Criminal Tribes."

The motion was adopted.

THE HONOURABLE MR. G. S. KHAPARDE: Sir, I introduce the Bill.

INDIAN TOLLS BILL.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I rise to ask for leave to introduce a Bill to consolidate the law relating to Tolls on Public Roads and Bridges.

This Bill, which is a pure measure of consolidation, is one of the minor products of the energies of the Statute Law Revision Committee in the performance of whose duties you, Sir, as is well known, played an outstanding part. I referred to the Bill as one of the minor products of the Statute Law Revision Committee only because the number of Acts to be consolidated is not very large nor are the Acts themselves very long, and at the same time the progress of municipal and local self-government during the last half century has been such as considerably to curtail the scope of their operation. In fact, the main object of the Bill is to enable us, when we republish a revised edition of the General Statutes, to get rid of several old Acts, which, by reason of various repeals and amendments, render the law which they lay down somewhat difficult to ascertain. The scope of the Bill is fully explained in the Statement of Objects and Reasons, the contents of which it is unnecessary for me to recapitulate. I would merely point out that it contains no intentional change of the law. I accordingly commend the Bill to the Council and take this opportunity of thanking the Statute Law Revision Committee, and more especially you, Sir, as their President, for what I think I may describe as a useful little piece of legislation. Sir, I move that leave be given to introduce the Bill.

THE HONOURABLE SAIYID RAZA ALI: May I just ask the Honourable Member through you, Sir, whether this measure of consolidation has been published in the Gazette or not?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: It has not yet been published.

THE HONOURABLE SAIYID RAZA ALI: Sir, I regret that I am not in a position to offer any comment on the necessity which has led to this branch of the law being proposed to be consolidated. The one point with which I am concerned at this stage is that, unfortunately, it has been the tendency of Government, so far as this Chamber is concerned, to bring forward consolidation measures without either publishing them in the Gazette or supplying the Honourable Members with advance copies. There may have been some little justification in the case of the Honourable Mr. Khaparde in springing his proposed consolidation measure on this Council, but that justification becomes much less, if I may be permitted to say so, in the case of the Leader of the House. The result of such measures being brought before this Council without any sort of previous information or publication, is that a very useful stage, namely the stage of introduction, is allowed to go by without Honourable Members of this Council being in a position to help the Government or the public with their criticism and

[Saiyid Raza Ali.]

advice. I know, Sir, there will be opportunities coming forward when we will be in a position to go into this measure, but I submit that, unless it is absolutely necessary, measures of this character should not be brought forward, unless they have been either published in the Gazette, or unless information has been given to Honourable Members.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, as I explained in my opening speech, this is purely a measure consolidating various provisions in the law relating to the subject-matter of this Bill and does not introduce any change in the law as it stands at present. In these circumstances I respectfully submit that it was neither necessary nor from any point of view desirable, either to publish the Bill beforehand in the *Gazette of India*, or to supply Honourable Members with copies. Copies have been placed before the Honourable Members and when they come to look into the Bill, they will find that my statement that the Bill enacts nothing new but merely consolidates the existing law, is correct.

THE HONOURABLE THE PRESIDENT: The Honourable Member raises a point which seems to me to involve some question of practice. I therefore propose to say a few words. If I understand the Honourable Member rightly, he complains that the Bill has not been published. The effect of a Bill being published by direction of the Governor General is not only to enable this Council to have full knowledge of it, it is entirely to defeat the introduction stage. I do not know if the Honourable Member wished that. Publication by the Governor General takes the place of introduction. I do not understand the Honourable Member's point on that. If it is the Honourable Member's desire that there should be a debate on the introduction of the Bill, then publication would defeat that. I would further draw his attention to the fact that it is clearly the intention of the Rules and Standing Orders that the procedure on introduction of a Bill should be mainly formal. I would refer him to Standing Order 36, which I shall read to the Council:

"If a motion for leave to introduce a Bill is opposed, the President, after permitting, if he thinks fit, a brief explanatory statement from the member who moves and from the member who opposes the motion, may without further debate, put the question."

Now that clearly indicates that this Council has adopted in Standing Orders the same rule as the rule in the House of Commons, that is if the introduction of a Bill is opposed, the matter is brought to a short conclusion by the question being put. So I think the Honourable Member is really attacking the procedure not of the Government of India but of this Council, and if he feels that we are not right in adopting this short method of introducing Bills, I would ask him to consider whether he should not move for the amendment of the Standing Orders. As the Orders now stand, I fail to see how, if Government had published this Bill, any discussion would have taken place.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces: Non-Muhammadan): With your permission I would like to raise another objection to this Bill. So far as my opinion goes, I think it is a Provincial subject and it will be better if the subject is left to the Provincial Governments to deal with.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member oppose the introduction?

THE HONOURABLE LALA SUKHBIR SINHA: Yes, and I would like to have it referred to the Provincial Governments to take the matter up instead of moving it here.

THE HONOURABLE THE PRESIDENT: Then I shall put the motion.

The question is:

"That leave be given to introduce a Bill to consolidate the law relating to Tolls on Public Roads and Bridges."

The motion was adopted.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I beg to introduce the Bill.

OFFICIAL BUSINESS FOR THE 5TH FEBRUARY, 1924.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I understand that Honourable Members have recently been circularised in regard to official business which is likely to come before this House early in February. I am not in a position to make any definite announcement as to other official business to be brought forward, but it is probable that on the 5th February motions will be made that the two Bills which have been introduced to-day be taken into consideration.

THE HONOURABLE THE PRESIDENT: That concludes the business of the day. I would like merely to remind Honourable Members that our attendance is commanded by His Excellency to-morrow in the other building. I adjourn this Council to Monday, the 4th of February at 11 O'clock.

The Council then adjourned till Eleven of the Clock on Monday, the 4th February, 1924.

COUNCIL OF STATE.

Thursday, 31st January, 1924.

INAUGURATION OF THE FOURTH SESSION OF THE COUNCIL OF STATE AND THE FIRST SESSION OF THE SECOND LEGISLATIVE ASSEMBLY.

His Excellency the Viceroy with the Presidents of the Council of State and Legislative Assembly having arrived in procession, His Excellency took his seat on the dâis.

H. E. THE VICEROY: Gentlemen, when I last addressed you, the Members of the Indian Legislature, the last Session of the first Legislative Assembly was at its close. A new Legislative Assembly has since been constituted; and the Members of the Council of State and of the Assembly are now about to enter upon the labours of the Delhi Session, to face new responsibilities and to strive to solve fresh problems in the best interests of India.

Let me in the first place extend a welcome to all the Members. I see many who have already notable achievements to their credit in the annals of the Indian Legislature. They need no special word of welcome and encouragement from me because they are aware of the high regard I entertain for their services; and in my address of last July, I set forth my view of the supreme importance of their work to the development of self-governing institutions in India and of the great value of the influence and traditions established by them. I miss, with regret, from this assemblage the faces of others (of the same fold) who had rendered yeoman service to the cause of constitutional progress. I see many new Members before me. I wish them welcome and shall watch their work in their new environment with keen interest. In their new responsibilities they will find the fullest opportunity for the display of the highest patriotism and for the noblest work for the service of India.

Before I pass to review the work before the Legislature and the internal affairs of India, let me dwell on a few questions of importance outside India, but closely affecting her welfare. Progress towards economic recuperation in Europe proceeds but slowly and the reaction of commercial dislocation still affects India together with the rest of the world. Nevertheless, there are indications of activity and trade revival in India; and there is good ground for hope that her period of convalescence will be more brief in duration and marked by more rapid and steady advance to strength than elsewhere.

A treaty was signed with Turkey at Lausanne in July last and its ratification by the signatory powers at an early date is anticipated. Tension has been relieved in the Middle East; and the Treaty has been welcomed by responsible Indian Muslim opinion as affording a solution to many problems exercising their minds.

[H. E. the Viceroy.]

On the Northern boundary of India the traditions of amity, subsisting for a century past with her neighbour Nepal, have found a happy issue in a Treaty signed at Khatmandu in December last which is a legitimate cause of satisfaction to both the parties.

Beyond the North-West Frontier, India has another neighbour closely connected with her. The relations of India with the Kingdom of Afghanistan are conducted by His Majesty's Government and, as you are aware, a treaty of neighbourly relations exists between the two Governments.

I have read assertions recently in the press that these relations have been strained. There have been allegations on the one hand of the entertainment of aggressive feelings towards Afghanistan by His Majesty's Government and on the other hand of an unreasonable attitude on the part of that country. Our relations with Afghanistan, as I have said, are in the charge of His Majesty's Government. But there has been speculation in the Indian Press regarding these rumours, and considerations of propinquity and past intimate associations evoke a warm solicitude in India for the welfare of Afghanistan and for the maintenance of relations of amity. It is right in order to remove misconception in India that I should state that these rumours as to the alleged intention of His Majesty's Government and the alleged attitude of the Afghan Government are without foundation.

Certain questions have however been under discussion between His Majesty's Government and Afghanistan. Those discussions are now nearing a satisfactory solution. The discussions had their origin in outrages notably those at Barshore and Spinchilla committed on our frontier by Wazirs domiciled in Afghanistan. They were complicated by the execution of these outrages from a base in Afghanistan and by the removal of loot to Afghan territory. In some cases also the perpetrators were deserters from British Indian militia units who had found employment in Afghanistan. The raids were serious in their results. In addition to private losses, four British officers and 81 Indian Sepoys of our regular and militia Indian units lost their lives. Subsequent to these events, two Afghan subjects murdered two unarmed British officers near Landi Kotal and fled to Afghanistan where they were arrested by the order of their Government, but later escaped from custody. Meanwhile the members of the Kohat gang, who were not Afghan subjects, the men who had murdered Mrs. Ellis and abducted her daughter, made good their escape to Afghan territory.

In reply to the vigorous representations made by the British Government the Afghan Government admitted its obligations, furnished ample assurances and took action to implement them. Its action at first however proved abortive. The lives of British Frontier officers and the security of British Indian subjects depended upon the fulfilment of these assurances. But on our side His Majesty's Minister exercised patience and forbearance, as he was aware that the difficulties of the Afghan Government in securing effective results were greater than can generally be realised.

Before the close of the year his representations were successful; the outrages to which I have made allusion were completely liquidated. During the present month the active steps taken by the Government of Afghanistan, after inviting the co-operation of our officers, have ended in

the rounding up of the Kohat gang, who are in process of transportation to Turkestan. During the last few days Afghan troops have come in contact with the men charged with the Landi Kotal murders and in the encounter one of them named Ardali has been killed, though the other Daud Shah has effected his escape. Information has also been received that the militia deserters above-mentioned have been dismissed from Afghan service. As delicate negotiations were in progress you will realise that it was not possible to make a statement about these developments at an earlier date.

Of the other murderous outrages committed on our frontier, in one case suspicion fortified by constructive evidence points to members of the Kohat gang having been among the perpetrators of the murders at Parachinar, while the murder of Major Finnis and of the two Indians accompanying him is still under investigation. Two of those implicated in the crime have been arrested and every attempt is being made to bring those responsible for the outrage to account.

Before I close my observations regarding the position of affairs on our Frontiers, let me acquaint you with the progress achieved in the solution of the problem of Waziristan. We have continued to pursue the policy adopted by us after most careful consideration and with the approval of His Majesty's Government. We occupy a dominating position at Razmak in the country of the Utmanzai Wazirs with our regular troops at the request of the Wazirs themselves. A circular road more than 70 miles in length, running from Idak in the Tochi past Razmak and through Mahsud country to Jandola, has been efficiently constructed in a short space of time. A second road fringing the Mahsud country on the south-east is under construction from Jandola to Sarwekai. These roads have been constructed in the main by the tribes. They are protected throughout the greater part of their length only by irregular forces—scouts and locally recruited Khassadars; and under their protection they are beginning to carry the trade of the country and to exercise the civilising and pacific influences which are the special and beneficent characteristics of a road policy. Except for a few technical troops, there are now no regular troops in Mahsud country. Military expenditure has been steadily reduced; and more settled conditions on the border offer good prospects of a more than temporary success for our policy. We should be unduly sanguine if we declared that our difficulties are at an end. Nevertheless in our judgment, arrived at after much investigation and deliberation, this policy spells the best hope for progressive improvement in the future.

You will remember that when I last addressed the Legislature, the position of Indians in the Empire was a cause of serious concern to me and my Government no less than to Indian opinion generally. Since then, except in directions to which I shall subsequently refer, the results of the labours of the Secretary of State, the Maharaja of Alwar and Sir Tej Bahadur Sapru at the Imperial Conference have undoubtedly improved the situation. The Premiers of four Dominions have shown deep sympathy and expressed their earnest desire to remove the disabilities affecting Indians. There is good ground for hope that the attainment of a solution acceptable to India is only a matter of comparatively short time, except possibly in the case of Canada where there are some special difficulties. India most cordially appreciates their sympathy and encouragement; and I speak for India when I say that this recognition of India's position in the Empire is the source of high satisfaction to her.

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The position in South Africa, however, is different. The Union Government has reaffirmed its unwillingness to adopt the attitude of the other Dominions; and in addition proposals for legislation which are expected in practice to affect Indians adversely have been brought forward. The Natal Township Franchise Amending Act, vetoed on previous occasions by the Governor General of South Africa in Council, has again been passed in the Natal Legislative Council; and a Class Areas Bill has been published by the Union Government. Vigorous representations have been made by my Government which, we trust, will have success in regard to the Township Act. The Union Government have given an assurance that it is their desire and intention to apply the measure, the Class Areas Bill, if it becomes law, in a spirit of fairness to the interests and reasonable requirements of Indians. My Government, however, whilst welcoming the assurance, cannot rest satisfied with this position; and we shall continue our efforts to persuade the Union Government to incline to our view. We are aware of the strength of public opinion in India upon this subject and shall strive to give effect to it by all legitimate means within our powers.

The position as regards the Crown Colonies has materially changed owing to the acceptance of the proposal for a Crown Colonies Committee to be appointed by my Government which will confer with the Colonial Office on all pending questions including Kenya.

The late Prime Minister, Mr. Baldwin, has promised that there shall be full consultation and discussion between the Secretary of State for the Colonies and the Committee appointed by the Government of India upon all questions affecting British Indians domiciled in British Colonies, Protectorates and Mandated territories. I hope for nothing but benefit from these discussions; and we shall gratefully take the fullest advantage of the opportunity offered.

As regards Kenya the views of my Government were explained at length by me in my last address to the Legislature and formed the subject of a Resolution issued by my Government in August last. While acknowledging the difficulties of the issues and the great care and attention His Majesty's Government devoted to India's claims, we did not conceal our feelings of disappointment at the result; and we reserved the right to make further representations, with a view to re-opening these decisions, when a legitimate opportunity offers.

At the Imperial Conference His Majesty's Government have given an assurance that, while they can offer no prospect of the decisions being modified—" Careful attention will be given to such representations as the Committee appointed by the Government of India may desire to make to the Secretary of State for the Colonies." This assurance gives us the opportunity we have been seeking and is a substantial gain.

Following upon the decisions, statutory action has been taken as regards the Franchise question in Kenya. The Kenya Government has treated Indians on the same lines as Europeans and granted adult suffrage. Given communal Franchise, this method of working may be accepted, and it has now become law. It is open to our Committee, however, subsequently to make representations setting forth our contention that there are grounds for an increase in the number of seats to Indians and that in

our view all voters should be registered on a common electoral roll We shall continue to press our views by means of the constitutional channel opened to us by the assurance of His Majesty's Government.

As regards immigration, the decision of His Majesty's Government was stated in the White Paper in the terms of a general principle only; and His Majesty's Government issued in addition an instruction to the Governor of Kenya to "explore the matter further on his return to the Colony and in concert with the Governor of Uganda to submit proposals to the Secretary of State for the Colonies for giving effect to that amount of control of immigration which the economic interests of the Natives of both dependencies require."

When we received a copy of the Ordinance, which had been drafted by the Governments of Kenya and Uganda and submitted to the Imperial Government, we took immediate steps to urge the postponement of the introduction and consideration of the Bill until the Government of India were able fully to present their objections; at the same time we strongly pressed that the Colonies Committee appointed by the Government of India should also have an opportunity of examining the question of the restrictions on immigration embodied in the Bill. These representations were accompanied by a preliminary statement of our objections to the provisions of the Bill. We received in reply an assurance by telegram from Lord Peel, the Secretary of State, that the introduction of the Bill had been postponed at the instance of the Duke of Devonshire, the Secretary of State for the Colonies. His Majesty's present Government have now informed me that the late Secretary of State for the Colonies found the Ordinance unsatisfactory and returned it to East Africa to be redrafted. At the same time he called upon the Government of Kenya for certain information regarding immigration and for an explanatory statement respecting the method proposed for the administration of immigration measures.

His Majesty's present Minister for the Colonies will await the reply to these inquiries and the revised draft of the Ordinance and will be guided by further information received when these documents are before him. Meanwhile he has given me an assurance that ample opportunity will be afforded to my Government to express their views, and that he will give his earnest attention to any representations which the Colonies Committee appointed by the Government of India may desire to make regarding the measure whether in the form of a Bill or of an enacted Ordinance.

I desire to express my deep obligations to the late and to the present Secretary of State for the Colonies for the consideration given to the representations of my Government which have received the continuous support of Lord Peel and his successor. The steps taken are strong testimony to the sense of justice and fairness with which His Majesty's Government have been animated in dealing with the proposals.

As regards events in India, the two murderous outrages which have recently occurred in Bengal have caused as deep concern to my Government as they have excited reprobation and abhorrence in the minds of all good citizens of every community. It is the primary duty of Government to vindicate the law against such outrages and to bring their perpetrators to justice; and my Government is entitled to look for the moral support and active co-operation of all sections of the public in the task. We owe to the families of those who have been victims our deep and

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respectful sympathy, but we have an even wider duty—the duty to safeguard others from similar calamity. My Government have for some time been aware of the existence of conspiracies having as their object the assassination of public servants and of the correspondence of persons implicated in these conspiracies with communist agencies directed by organisations outside India. It was out of question to permit these sinister designs to advance on their way to results that no process of law can remedy. Our officers, on whom devolve the dangerous task of the prevention and detection of crime, must look to us for at least that measure of safety, so far as the law can give it, which their own services secure to the public. Punishment in cases of outrages of this nature is not an efficient substitute for prevention. It became necessary to take steps to confine certain of the persons concerned in these conspiracies under the provisions of Regulation III of 1818. The necessity for these measures has recently received tragic confirmation in the murder of Mr. Day and the injuries to three Indians who attempted to stop the flight of his assailant. I trust that these steps to combat an evil which not only destroys innocent lives, but is a menace to society as a whole and a grave obstacle to political progress, will command the approval of all those to whom security and progress are objects of vital and common concern.

Need I assert that it was only with the greatest reluctance that I assented to the use of these measures for the protection of the public and in the public interest. I am firmly impressed by the consideration that it is essential strictly to confine these special and extraordinary measures to extreme cases of emergency; and I fully appreciate and sympathise with the views of those who wish to protect the liberty of the subject with strict exactitude. In these days the strong light of publicity, both in the Legislatures and the Press, is brought to bear upon the use of emergency measures of this character; and this in itself acts as a safeguard against their abuse. Before any action is taken, I and my Government submit these cases to a scrupulously careful examination. If we decide that a case for arrest has been established and no other course is possible, in view of the serious character of the emergency, a warrant is issued. After the arrests in Bengal were made, as you are aware, all the documents and evidence relating to each individual have been placed before two Judges of the High Court for the purpose of thoroughly sifting the material on which action was taken, of submitting it to the technical tests of judicial knowledge and experience and of framing recommendations regarding each case. I shall myself re-examine the case of each man concerned with the greatest care in the light of the recommendations of the Judges in each case and with the assistance of their detailed scrutiny of the evidence and the documents. In this manner the greatest possible precautions will be exercised to secure that no individual shall run the risk of suffering injustice because of the gravity of a situation; and his right to an impartial investigation of a charge will never be imperilled by the immediate necessity for measures of prevention.

I attach great importance to the labours of two Committees at present engaged in the examination of certain aspects of the administration of the law. The first, which has been dealing with the subject of the Bar in India, is reaching the conclusion of its labours. The general question of the creation of an Indian Bar and special features of the varying systems in different Provinces in India regulating the appointment, practice and privileges of Advocates and Vakils attracted considerable interest among

the members of the late Assembly and were the subject of a number of private Bills, Resolutions and questions. The whole problem has now been examined by an expert and representative committee; and their recommendations will be of special interest.

The second Committee is entering upon the task of the examination of civil judicial procedure with a view to increasing the efficiency of the machinery, and in particular of expediting the technical processes for arriving at the final decision in civil suits and for securing to the successful litigant the fruits of his decree. Reproach for delay in these operations has been levelled at our administration; it is essential that for ends of justice and efficiency all cause for criticism should be removed. Any improvement, which it may be found possible to effect, will, I need scarcely point out, be of the greatest value to all litigants and as regards commercial cases will have re-actions of importance on the general commercial and industrial prosperity of India.

Another question of first importance connected with the administration is the problem of retrenchment. Though less than a year has passed since Lord Inchcape presented the report of his Committee, I am glad to inform you that most of the recommendations of that Committee have already been carried into effect; and the great benefit of reduction of expenditure will again be patent when the budget comes under discussion in the Legislature. Considering the far-reaching nature of the changes involved by the recommendations, the expedition with which they have been put into effect is to be commended. As you are aware, the reduction of troops as recommended by my Government on the basis of the report of Lord Inchcape's Committee was accepted in full by His Majesty's Government save in respect of the British cavalry regiments. As regards these regiments His Majesty's Government agreed to withdraw two, but not the third; as a result of discussion however His Majesty's Government have agreed to pay £75,000 annually as a contribution for the maintenance of the third regiment for a period of two years. At the end of that time, if the military situation is still unchanged, it will be open to my Government to raise again the question of the retention of the third cavalry regiment.

In addressing myself to the internal affairs of India I would remind you that a change of Government has happened in England within the last few days. In consequence, ordinary courtesy and also constitutional propriety render it incumbent upon me to refrain from some observations upon Indian affairs I should otherwise be tempted to make, until there has been opportunity for discussion with the new Secretary of State and His Majesty's Government. If therefore—contrary to your expectation—I do not express myself upon some matters, you will understand the reason. But it need not prevent my making some reference to the Reforms and the work before the Legislature.

With the institution of a Legislative Council in Coorg and the grant of representation in the Assembly to Ajmer-Merwara, the reformed constitution has become an integral part of the institutions in the smallest administrative units in this country. The attendance at the polls and the close contest between candidates during the recent Election demonstrate the increasing interest which the system claims from the electorate and the country at large. Within the walls of the Council Chambers parliamentary traditions have begun to be established. Representative institutions are being built up on a firm basis. The people of India are taking a share in the maintenance and activities of government which stands—as all

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civilised administrations must stand—for security against external aggression, for internal security by the maintenance of the law and the preservation of order, for the protection of the rights and liberties of individual citizens of every class and creed, for the development of the material and political welfare of the country and for ordered continuity of progress.

As you are aware, the policy of the Reforms in India was introduced with the approval of all political parties in England and all stand committed to it as the fundamental policy in relation to India of His Majesty's Government, however constituted, and apart from other political controversies which mark lines of division in Parliament. It is not uninstructive in this connection to pause for a moment and reflect upon the succession of Prime Ministers and of Governments that has taken place in England since I became Viceroy nearly three years ago. Mr. Ramsay Macdonald, who has so recently attained his present exalted office, is the fourth Prime Minister with whom I have served during my period of office as Viceroy. None of these Governments has wavered for one moment regarding the policy of the Reforms in India. Each in succession has immediately accepted the policy of the Reforms as the rock-foundation of British policy in India. Governments may, and doubtless always will, vary as regards details of administration and may differ in opinion regarding the stages of progression and periods of advance; but the cardinal policy of the Reforms remains the same for all. It is the policy of the British nation and not of any party. I commend these facts to the consideration of those—if there be any—who may still regard the promises held out as illusory and never to be fulfilled.

I came to India charged with the solemn duty of carrying out those Reforms, inspired by the earnest desire to make them a success and imbued with the firm determination to carry forward the conception along the road to further stages in its ultimate development. I have anxiously watched the consolidation of the foundations. I have seen the first courses of the edifice of parliamentary institutions and traditions and I stand pledged to carry onward the erection of the structure and to continue the building in the full hope of its ultimate completion. But be it remembered that the successful issue of the Reforms cannot depend solely upon the intentions and actions of His Majesty's Government, or the Viceroy, or the Government of India, or of all combined. The future must largely depend upon the people of India and the actions of the Legislature.

A first stage was passed when the first Assembly was dissolved. My own appreciation of the value of the achievements of the first Legislative Assembly and of the Council of State was expressed in my prorogation speech. We have now entered upon a second stage by the election of the new Assembly. I look and hope for continuity of the new Assembly of the same valuable tradition, for continuity is an essential condition of well-ordered political progress. A considerable advance has been made on the road. Many difficulties have been successfully overcome and obstacles surmounted by the Legislature. Differences have occurred, but I am convinced that these have left no bitterness in their wake. Opinions varied but there was a common objective, the advancement of India. To-day marks the opening of a new stage; it chances to happen at a specially important moment and when the future actions of this Legislature will be fraught with the deepest interest and significance to India. There is now a Government in England which numbers among its members some of the most ardent supporters of the Reforms and the most sympathetic

friends of India. There is now a spirit in India, if I am to credit all I read, which is bent upon destruction of the Reforms unless it immediately attains that which it is impossible for any British Government to grant forthwith, that is, complete Dominion self-government. I am well aware that words are often used in the heat of political conflict which perhaps convey more than is really intended. Moreover, it is but natural that when faced with the responsibility of action there should be deeper reflection upon its true significance and probable consequences. I cannot foretell the future; I do not know what it holds; but I cannot conceal from you that the political situation in India in its constitutional aspects causes me some anxiety for the future of the Reforms. I should be doing a disservice to India if I failed at this moment to give expression to my views formed not upon a hasty or cursory survey, but as the result of as profound study and reflection as I can bring to bear upon a subject of supreme interest to me. In October last I sounded a note of warning which I must now repeat in the friendliest spirit but with all gravity. I spoke with the object of presenting the picture of the future, as I then saw it, to those in India who had not failed in their support of the Reforms policy, although they had on occasions felt bound to oppose the actions of Government. You may remember that I adverted to the possible prospect, according to the then indication of events, of a check, which I deplored, in the onward progress of the Reforms. The possibility of this check has come nearer to us, indeed it is in a degree already with us in some aspects, although it has not yet happened and, I devoutly trust, it will not happen in the Central Legislature. If the position should become more acute in the Provinces, the Local Governments may rely upon my fullest support. I still wonder —as I wondered in October—what purpose beneficial to India will be served by any course destined to destroy the continuity of progress in the Reform movement. No change in the Constitution can be effected by legitimate and peaceful methods save with the assent of the British Parliament, that is, the British people. The British Parliament has already set up the machinery now in operation for some time past. It is working with efficiency through well ordered processes towards the creation of responsible self-government. It is difficult to conceive that any responsible body of opinion can ignore the purpose it has in view, or can desire to check its creative activities and to risk the injury which must result to the fine fabric already in process of being woven upon its looms. Nevertheless, I gather that there is a disposition in some quarters to believe that the hands of the British Parliament can be forced, and that a situation may be created which may impair the Reforms and thus cause Parliament to act contrary to their desire and better judgment. It may appear easy to impair and even to destroy and to re-create. Doubtless, destruction is always easier than construction. Violent revolutions have destroyed the institutions of nations. Neglect and apathy in other cases have induced their decay and extinction; but I beg you to remember that when influences of this nature have been set in motion, restoration and re-creation become infinitely more difficult and sometimes impossible. These influences make no appeal to the British people and the British Parliament would emphatically repudiate and reject them. Rather rest the real hopes of the consummation of India's desires in the promises already made and in the intentions already manifested and to be manifested by that great champion of liberties, the British Parliament. As a devoted friend of India, I am convinced that action based on reason and justice will alone prevail with the British

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upon the harvest which the Legislature will sow and reap. It is of the greatest moment to India at this juncture that her elected representatives, in the responsibilities of their present position, should make a wise choice as regards the course they will pursue. I do not doubt that they are imbued by those ideals which have from the outset inspired this Legislature and that they seek the welfare of India. I earnestly pray that calm judgment and a desire for mutual understanding and good-will may characterise this Session of the Legislature and may thus carry India further forward to the fulfilment of her legitimate aims and aspirations. (Applause.)

The Council then adjourned till Eleven of the Clock on Monday, the February, 1924.

COUNCIL OF STATE.

Monday, the 4th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN.

The Honourable Pandit Sham Bihari Misra (United Provinces: Nominated Official).

QUESTIONS AND ANSWERS.

RESIGNATION OF OFFICERS SINCE THE INAUGURATION OF THE REFORMS.

23. THE HONOURABLE MR. PHIROZE C. SETHNA: In answer to *question 18 on 16th July 1923, Government gave a list detailing the number of officers who had resigned since the inauguration of the Reforms. Will Government be pleased—

(*a*) to bring up the list to 31st December 1923; and

(*b*) to show in the list how many officers in each service have resigned (1) within 5 years, (2) within 10 years, (3) within 15 years, (4) within 20 years, and (5) within 25 years, from the dates of their respective appointments?

THE HONOURABLE MR. J. CRERAR: A statement containing the information required by the Honourable Member is laid on the table.

List showing the number of European officers of All India Services who have been permitted to resign their appointments in consequence of the reforms (up to 31st December 1923).

Service.	NUMBER OF RETIREMENTS WITHIN					Total No.
	5 years of apptt.	10 years of apptt.	15 years of apptt.	20 years of apptt.	25 years of apptt.	
Indian Civil Service . .	...	3	23	25	18	69
Indian Police Service . .	4	7	34	28	17	97†
Indian Service of Engineers .	...	7	12	23	11	54‡
Indian Educational Service .	...	5	13	12	2	32
Indian Forest Service . .	1	...	8	3	6	20§
Indian Agricultural Service .	...	2	1	6	1	10
Indian Veterinary Service .	.	...	2	2	1	

* Page 1475, Council of State Debates, Vol. III.
† Includes 7 officers retired after 25 years service.
‡ Includes 1 officer who retired after 25 years service.
§ Includes 2 officers who retired after 25 years service.

REVENUE REALISED FROM SALT.

24. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to show by a tabular statement the amount of duty realised on salt during the months of June to November inclusive in the year 1922, as also in the year 1923?

THE HONOURABLE MR. A. C. McWATTERS: A statement shewing the revenue realised from salt during the months of June to November of 1922 and 1923 is placed on the table.

Statement shewing the revenue realised from salt during the months of June to November of 1922 and 1923.

Month.	1922.	1923.	REMARKS.
	Rs.	Rs	
June	56,90,000	55,57,000	
July	28,14,000	58,33,000	
August	52,56,000	64,16,000	
September	45,78,000	55,17,000	
October	65,55,000	90,55,000	
November	62,74,000	78,72,000	

REDUCTION IN THE NUMBER OF EXECUTIVE COUNCILLORS AND MINISTERS IN CERTAIN PROVINCES.

25. THE HONOURABLE MR. PHIROZE C. SETHNA: With reference to my question* No. 9 on 16th July 1923, will Government be pleased to say if they have now arrived at a final decision in regard to the proposal made in the Resolution moved in the Council of State for reducing the number of Executive Councillors and Ministers in some Provinces?

THE HONOURABLE MR. J. CRERAR: A final decision has not yet been arrived at. The matter is under consideration with the Secretary of State.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is not an opportunity of reduction likely to arise in Bengal very soon?

THE HONOURABLE MR. J. CRERAR: A vacancy is likely to occur at some date which is not yet definite in Bengal; but that matter along with other matters is under consideration by the Secretary of State.

THE HONOURABLE MR. PHIROZE C. SETHNA: Is it also likely to occur in Bombay?

THE HONOURABLE MR. J. CRERAR: I have no information which would lead to that suggestion.

INCOME FROM ADVERTISEMENTS ON INLAND TELEGRAPH FORMS.

26. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) Will Government give particulars in regard to the income derived by advertisements printed on inland telegraph forms?

(*b*) Are they aware that the commercial community do not favour the publication of advertisements and particularly on the front page of the telegraph forms?

* Page 1472, Council of State Debates, Vol. III.

THE HONOURABLE MR. A. H. LEY: (*a*) The income from advertisements on telegram forms based on the present number of forms used is expected to be about a lakh of rupees yearly. This amount will of course increase as telegraphic traffic increases.

(*b*) Shortly after the issue of the first series of telegram forms with advertisements, a few objections were received regarding the advertisements on the front of the forms. It is expected that as the public become accustomed to the new forms with advertisements these objections will disappear. The letters received from some of the leading business men do not show that they object to the advertisements, but to the fact that the forms when folded are likely to be mistaken for trade circulars. On their suggestion it has since been arranged to have the word " telegram " in block letters on the reverse of the received telegram form in future issues. Steps are also being taken to use a different quality of paper and lighter type, which should meet the objections on the score of the legibility of manuscript telegrams being impaired.

THE HONOURABLE MR. PHIROZE C. SETHNA: Have Government arranged or are they arranging for further revenue in the shape of advertisement charges in some other shape or form?

THE HONOURABLE MR. A. H. LEY: Not as far as I am aware.

THE HONOURABLE MR. PHIROZE C. SETHNA: Is it a fact that Government have arranged or are arranging with a firm for advertisements at stations on Government-owned railways?

THE HONOURABLE MR. D. T. CHADWICK: I never heard anything about that, Sir.

EMPLOYMENT OF BORDER TRIBES ON PUBLIC WORKS.

27. THE HONOURABLE LALA RAM SARAN DAS: With a view to pacify the tribal people on the border, has Government prepared any scheme for their employment on works of public utility?

THE HONOURABLE MR. J. P. THOMPSON: A number of Public Works are being carried out in the tribal area in the construction of roads, of posts and of the Khyber Railway. In carrying out all these works the prior claims of the local tribesmen to employment are recognised, and, so far as is possible with regard to the interests of efficiency and economy, preference is given to local men when contracts are given.

THE HONOURABLE SAIYID RAZA ALI: How long will the completion of these roads and railways take?

THE HONOURABLE MR. J. P. THOMPSON: I cannot give the Honourable Member any exact information about that, but if he will give notice I have no doubt it will be possible to obtain and give him the information.

EMPLOYMENT OF BORDER TRIBESMEN ON THE CONSTRUCTION OF MILITARY RAILWAYS, ETC.

28. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state what is the number of labourers engaged in the trans-border tribal area of North-West Frontier Province on the construction of military roads and military railways and on other military works from among the border tribes of that area?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: About 5,000 labourers belonging to border tribes are employed on the construction of military rail ways in the North-West Frontier area. Information regarding the number employed on the construction of military roads and other military works in the same area is being collected and will be furnished to the Honourable Member in due course.

GEOLOGICAL SURVEY OF TRIBAL AREA.

29. THE HONOURABLE LALA RAM SARAN DAS: Is it feasible and practicable to undertake a geological survey of the tribal area, with a view to find out whether any mines can be worked in that area which could provide work for the people of that tract?

THE HONOURABLE MR. J. P. THOMPSON: No. A general geological survey of the tribal area would constitute a violation of tribal sentiment and could not at present be carried out except by force of arms. At the same time Government is alive to the importance of developing the resources of the tribal area, and a license to prospect for petroleum near Moghal Kot in Sherani country on the Derajat Border has recently been granted by arrangement with the tribe concerned.

ALLOWANCES TO TRIBAL CHIEFS IN THE NORTH-WEST FRONTIER PROVINCE.

30. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state what amount is annually spent in the North-West Frontier Province on the grant of allowances to tribal chiefs or headmen for keeping peace in their area?

THE HONOURABLE MR. J. P. THOMPSON: Rs. 7,29,378 per annum.

ROAD CONSTRUCTION IN THE NORTH-WEST FRONTIER PROVINCE.

31. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state how many miles of roads have been constructed in:—

(*a*) Southern Waziristan;

(*b*) Northern Waziristan;

(*c*) Kurram valley;

(*d*) Tirah;

(*e*) Chitral;

(*f*) Swat;

(*g*) Buner;

(*h*) Dir;

and what is the annual cost of the upkeep of these roads?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The information asked for by the Honourable Member is contained in the statement laid on the table of the House.

Statement showing the number of miles of road constructed on the North-West Frontier and the annual cost.

Places.	Annual cost of maintenance.
(a) *South Waziristan*—	
	Rs.
85 miles	1,46,000

In addition, the Jandola-Sarwaki road is under construction. When completed this will add 24 miles to the figure given above and its upkeep is estimated at Rs. 60,000.

(b) *Northern Waziristan*—	
	Rs.
130½ miles	1,85,000
(c) *Kurram*—	
61 miles	1,00,000
(d) *Tirah*—	
Nil.	
(e) *Chitral*—	
189 miles (unmetalled) . ..	14,000
(f) and (h) *Swat and Dir*—	
27½ miles (metalled)	36,843
112 miles (unmetalled)	10,000
(g) *Buner*—	
Nil.	

NOTE.—The above figures relate to areas beyond the administrative border only.

CONSTRUCTION OF PROTECTIVE WORKS AT DERA ISMAIL KHAN.

32. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state how far the construction of protective works against erosion by the river Indus against the town of Dera Ismail Khan have progressed?

THE HONOURABLE MR. A. H. LEY: The earthwork has been completed in 58 chains of the bund out of a total ultimate length of 120 chains. Special arrangements have had to be made for the carriage of stone both by rail and river; these are now getting into full swing and in 5 chains the stone apron and slope have been finished.

THE HONOURABLE SAIYID RAZA ALI: In view of the experience gained at Dera-Ghazi-Khan, is there any expert opinion that takes a hopeful view of saving Dera Ismail Khan from the erosion of the Indus?

THE HONOURABLE MR. A. H. LEY: I do not think we have sufficient experience at the present moment to give a reply to that question.

INCREASE OF RAILWAY FARES ON THE KALABAGH-BANNU SECTION OF THE N. W RAILWAY.

33. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state reasons why railway fares on the Kalabagh-Bannu section of the North Western Railway have been increased by 50 per cent. from 1st January 1924?

THE HONOURABLE MR. D. T. CHADWICK: Government regret that it has proved necessary to increase the fares on this Railway. The increase was unavoidable since the line is being worked at a heavy loss. The effect of the new fares will be carefully watched and every effort is being made by the railway administration to enforce economy in its working.

CONSTRUCTION OF THE NAROWAL-SHAHDARA, SANGLA-CHINIOT AND CHAK JHUMRA-CHINIOT RAILWAY LINES.

34. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state whether there is any near prospect of the following railway lines on the North Western Railway being constructed:—

(*a*) Narowal-Shahdara;

(*b*) Sangla-Chiniot; or

(*c*) Chak Jhumra-Chiniot?

THE HONOURABLE MR. D. T. CHADWICK: The question of broad gauge railway connections in the localities mentioned is at present under consideration.

INDO-BURMAN RAILWAY.

35. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state how far the project of an Indo-Burman Railway matured? Will they state which scheme has finally been adopted, and as to whether there is a likelihood of its early construction?

THE HONOURABLE MR. D. T. CHADWICK: There are two alternative routes for a railway connection between India and Burma, *viz.*, one from Chittagong *viâ* Akya to Minhal and the other from Ledo to Sahman. As neither of these routes can be classed as remunerative, consideration of the route to be adopted has been held in abeyance.

In these circumstances, Government are not in a position to state whether, and if so when, the construction of a railway between India and Burma will be undertaken.

TRANSPORTATION OF PRISONERS TO THE ANDAMANS.

36. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state as to whether prisoners are still sent to the penal settlement in the Andamans; if so, from what provinces?

THE HONOURABLE MR. J. CRERAR: Prisoners are no longer sent to the Andamans, deportation having been stopped in March 1921. Since then, however, it has been temporarily reopened in the case of Madras, Bengal and the Punjab in view of the serious overcrowding in the jails of those provinces. This permission was not made use of by the Government of Bengal and has been withdrawn. A few prisoners only were sent from the Punjab, but no more are being despatched. A number of Moplahs convicted of offences committed during the disturbance of 1921 have been sent to the Andamans, but no other prisoners from Madras. The Honourable Member is referred to a reply on the subject given by the Honourable Mr. O'Donnell on the 17th January 1922 to the Honourable Colonel Sir Umar Hayat Khan Tiwana.

THE HONOURABLE SAIYID RAZA ALI: In view of the unanimous recommendation of the Jails Committee, will it not be possible for the Punjab, Madras and Bengal Governments to arrange with other Local Governments for the transfer of prisoners?

THE HONOURABLE MR. J. CRERAR: I think, if the Honourable Member will refer to the statement made by the Honourable Mr. O'Donnell,

he will find a reply to this question: but I may say briefly here that the main obstacle to carrying out the recommendation of the Jails Committee immediately was the financial difficulty of providing newly constructed jails in the various provinces. With regard to the alternative which has been suggested by the Honourable Member that other provinces might relieve those whose jails are congested, the matter has been under careful consideration and has been referred to the various provinces concerned, but I regret to say that the degree of relief which can be afforded in that respect has proved to be very slight.

COLONISATION OF THE ANDAMANS.

37. THE HONOURABLE LALA RAM SARAN DAS: (*a*) What is the total population of the Andamans, and out of it how many are convicts?

(*b*) Will the Government kindly state as to whether the colonisation of these islands by people from the mainland cannot be at once undertaken? Have Government prepared any scheme for the purpose; if so, will they publish it?

THE HONOURABLE MR. J. CRERAR: (*a*) The total population of the Andamans according to the Census Report of 1921 is 27,086. Our latest information is that 9,051 of these are convicts, of whom 3,749 are self-supporters.

(*b*) Colonisation on any considerable scale cannot be at present undertaken. The area available is limited and there are still approximately 9,000 convicts in the Settlement. As long as a substantial convict population remains, it is obvious that control over would-be settlers should vest in the Chief Commissioner. Government have considered the future of the Settlement: they hope to provide a nucleus for a free colony in the future from amongst those self-supporters who elect to remain permanently in the Andamans. In pursuance of this scheme a large number of self-supporter tickets have been granted during the last 2½ years, but it is impossible to say at present what success will attend this experiment.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Has the Government any information as to how the recent Anglo-Indian colonization enterprise from Bengal is working and whether the chances of extending experiments of that kind are close at hand?

THE HONOURABLE MR. J. CRERAR: The enterprise referred to by the Honourable Member is of course a private enterprise, but the Chief Commissioner has done all in his power to encourage it in pursuance of the authority given him by the Regulation. My latest information, which is not official, suggests that the colonists referred to by the Honourable Member are so far satisfied with their lot, but it is too early to say anything about the experiment and it is on too small a scale to draw any reliable deduction from it for colonization on a large scale.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Would Government be prepared to afford facilities for further extension of the experiment if private enterprise was likely to be able to supplement the costs of similar undertakings?

THE HONOURABLE MR. J. CRERAR: I cannot give any definite reply on that point, but if the Chief Commissioner is able to give an encouraging

report of the result of the small experiment, I have no hesitation in saying that Government will give their very sympathetic consideration to a further extension.

NORTH-WEST FRONTIER COMMITTEE'S REPORT.

38. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state what have been the recommendations of the Frontier Amalgamation Committee? Have Government considered the Report? If so, what recommendations are being given effect to?

THE HONOURABLE MR. J. CRERAR: It is hoped that the report of the North-West Frontier Inquiry Committee will be published on an early date, and pending publication Government are unable to state what the proposals of the Committee were. The proposals of the Committee are still engaging the serious consideration of Government.

THE HONOURABLE SAIYID RAZA ALI: Has any correspondence taken place between the Government of India and the Secretary of State in connection with this Report?

THE HONOURABLE MR J. CRERAR: Yes, Sir, correspondence has taken place.

JUDICIAL ADMINISTRATION OF THE NORTH-WEST FRONTIER PROVINCE.

39. THE HONOURABLE LALA RAM SARAN DAS: What have Government decided to improve the judicial administration in the North-West Frontier Province?

THE HONOURABLE MR. J. P. THOMPSON: The matter is still under the consideration of Government.

THE HONOURABLE SAIYID RAZA ALI: In the interest of the efficiency of the judicial administration, is it contemplated to appoint an Indian as an Additional Judicial Commissioner for the North-West Frontier Province?

THE HONOURABLE MR. J. P. THOMPSON: If the Honourable Member will give me notice of that question, I shall be happy to reply.

THE HONOURABLE SAIYID RAZA ALI: Is the Honourable Member in a position to reply to my question now?

THE HONOURABLE THE PRESIDENT: If the Honourable Member was in a position to reply to the question now, he doubtless would have done so. I do not think the Honourable Member wishes to suggest that the Government are concealing information.

OFFICERS OF THE UNIVERSITY CORPS.

40. THE HONOURABLE LALA RAM SARAN DAS: Is it a fact that officers of the University Corps in India cannot get even the Viceroy's Commission in the Indian Army?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The answer to the Honourable Member's question is in the negative.

NUMBER AND TONNAGE OF MERCHANT SHIPS OWNED BY INDIANS.

41. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state what is the total number and tonnage, at present, of merchant ships owned by Indians or Indian Companies, and what is the total number of merchant ships and tonnage engaged in the coastal trade of India?

THE HONOURABLE MR. D. T. CHADWICK: Information regarding the total number of tonnage of sea-going merchant ships owned by Indians or Indian companies at the present time is not readily available. The position recorded towards the end of 1922 was as follows:—

		Tonnage.
99	Steamers	147,968
7	Motor vessels	562
33	Sailing vessels	7,388
139		155,918

The Government have no information of the total number of merchant ships and tonnage engaged in the coastal trade of India.

ENCOURAGEMENT OF THE SHIP-BUILDING INDUSTRY IN INDIA.

42. THE HONOURABLE LALA RAM SARAN DAS: Have Government done anything to encourage ship-building industry in India? If so, will they kindly state what steps have actually been taken so far in this direction?

THE HONOURABLE MR. D. T. CHADWICK: Firms desirous of developing ship-building in India have had exactly the same opportunities for doing so as those anxious to start any other industry. The Government are not aware of any firms in India which in recent years have made any serious attempt to establish an industry to build modern ships. The Honourable Member is doubtless aware that a Committee has been appointed to consider, among other subjects, what measures can usefully be taken to encourage ship-building. Its report has not yet been received.

NUMBER OF SHIPS CONSTRUCTED IN INDIA.

43. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state what is, on an average, the number of ships constructed per year in:—

(*a*) Bombay Presidency,

(*b*) Madras Presidency,

(*c*) Bengal Presidency,

(*d*) Burma,

(*e*) Indian States?

THE HONOURABLE MR. D. T. CHADWICK: The average number of vessels built in some Provinces is very small, the Honourable Member might prefer if I mention the total number of steam and sailing vessels built in each province in the last ten years and the average tonnage for each class of vessels. It will be seen that in some cases figures for comparatively small boats have been included in the returns.

Statement.

—	BENGAL.		BOMBAY INCLUDING SIND.		MADRAS.		BURMA.	
	Total number built in 10 years.	Average tonnage per vessel.	Total number built in 10 years.	Average tonnage per vessel.	Total number built in 10 years.	Average tonnage per vessel.	Total number built in 10 years.	Average tonnage per vessel.
Steam Vessels . . .	15	144	29	41	...	...	9	230
Sailing Vessels . . .	30	239	968	45	478	99	57	117

No figures of construction in Indian States are available.

SOUTH AFRICAN COAL.

44. THE HONOURABLE LALA RAM SARAN DAS: (*a*) Will Government kindly state the amount of South African coal imported into India during each of the last ten years? How much of this is imported *via* Bombay and *via* Karachi?

(*b*) How do the prices compare with Indian coal?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) The information regarding the amount of South African coal imported into India in the last ten years can be obtained from Volume II of the Annual Statement of the Sea-Borne Trade of British India, copies of which are available in the Library.

Separate figures for South African coal imported *via* Bombay and Karachi are not available.

(*b*) It is not easy to answer this question owing to different grades of coal. But the Government understand that in the latter half of last year the average difference in favour of South African coal in Bombay was approximately Rs. 3 a ton for first class quality and from Re. 1 to Rs. 1-8 a ton for second class quality. But it is important to remember that for the purposes of this comparison rail-borne Indian coal has been taken and not sea-borne.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is any portion of the coal so imported what is ordinarily known as bounty-fed?

THE HONOURABLE MR. D. T. CHADWICK: Coal exported from South Africa receives a rebate on its railway freight in exactly the same manner as does the coal exported from the Jharria and Raniganj fields in Calcutta.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: And the extent of such rebate?

THE HONOURABLE MR. D. T. CHADWICK: I regret to say I have had to deal with so many of these coal figures at one time or another that I should not like to say the exact number of pence or annas, but I shall be perfectly happy to show it to the Honourable Member if he will come to the office.

IMPORT DUTY ON SOUTH AFRICAN COAL.

45. THE HONOURABLE LALA RAM SARAN DAS: Have Government as a retaliatory measure considered the desirability of imposing a prohibitive duty on the import of South African coal into India?

THE HONOURABLE MR. D. T. CHADWICK: The question of a countervailing duty on South African coal imported into India is under the consideration of Government. At present they prefer to treat the question purely as an economic one. They are not prepared to make any statement on the question whether they would agree to imposing a countervailing duty by way of retaliation.

THE HONOURABLE SAIYID RAZA ALI: Are Government aware that the rebate recently granted on coal carried over certain lines in India does not enable the Indian coal to compete successfully with coal imported from South Africa in the Bombay market?

THE HONOURABLE MR. D. T. CHADWICK: Sir, that question might give rise to whole debate. But cargoes of coal which have been sent *viâ* Calcutta from the Jharria fields by sea since the introduction of the rebate have recently been sold in Bombay.

KENYA IMMIGRATION BILL.

46. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state the nature of steps they have taken by way of protest against the recent Ordinance passed in Kenya Colony concerning immigration?

THE HONOURABLE SIR NARASIMHA SARMA: The Honourable Member is mistaken in supposing that the Bill known as the Immigrants Regulation and Employment Ordinance has passed the Kenya Legislative Council.

I repeat for the benefit of the Honourable Member the information already communicated by His Excellency at the meeting of both Chambers of the Indian Legislature. When the Government of India received a copy of the Ordinance, which had been drafted by the Governments of Kenya and Uganda and submitted to the Imperial Government, they took immediate steps to urge the postponement of the introduction and consideration of the Bill until they were able fully to present their objections; at the same time they strongly pressed that the Colonies Committee appointed by them should also have an opportunity of examining the question of the restrictions on immigration embodied in the Bill. These representations were accompanied by a preliminary statement of their objections to the provisions of the Bill. They received in reply an assurance by telegram from Lord Peel, the late Secretary of State, that the introduction of the Bill had been postponed at the instance of the Duke of Devonshire, the late Secretary of State for the Colonies. His Majesty's present Government have now informed the Government of India that the late Secretary of State for the Colonies found the Ordinance unsatisfactory and returned it to East Africa to be redrafted. At the same time he called upon the Government of Kenya for certain information regarding immigration and for an explanatory statement respecting the method proposed for the administration of immigration measures.

His Majesty's present Minister for the Colonies will await the reply to these inquiries and the revised draft of the Ordinance and will be

guided by further information received when these documents are before him. Meanwhile, he has given the Government of India an assurance that ample opportunity will be afforded to them to express their views and that he will give his earnest attention to any representations which the Colonies Committee appointed by them may desire to make regarding the measure whether in the form of a Bill or of an enacted Ordinance.

PROFITS FROM THE WORKING OF ENEMY SHIPS.

47. THE HONOURABLE MR. PHIROZE C. SETHNA: In the Home Accounts of the Government of India in Account No. 3 page 28, it is stated that the excess of receipts over payments in regard to enemy ships under the control of the India Office up to 30th September 1920, is £3,584,646-2-6 and that the ships were transferred, as from 1st October 1920, to the control of the High Commissioner who holds the excess receipts from that date which up to 31st March 1922 amounted to £328,808-11-6. In regard to this statement, will Government be pleased to say—

(*a*) if the above balances are earmarked for any particular purpose or purposes and, if so, what?

(*b*) if not earmarked, have Government thought of ways and means in which they are to be utilised?

(*c*) if any suggestions have been made for the utilisation of these balances; if so, what and also how Government view any such suggestions?

(*d*) if they were aware of these balances lying with the Secretary of State and the High Commissioner when the budget for the year 1923-24 was prepared and, if so, what were the reasons for not utilising these balances?

(*e*) if these balances are invested and, if so, in what securities and the amounts of interest earned on them annually commencing from 1915?

THE HONOURABLE MR. A. C. MCWATTERS: (*a*) and (*b*) I would request the Honourable Member to await the presentation of the Budget for a full statement in regard to profits from the working of enemy ships.

(*c*) A suggestion has been made to the Government that the profits should be earmarked for meeting the cost of measures for developing the growth of an Indian Mercantile Marine that may be recommended by the Indian Mercantile Marine Committee. Any proposals made by the Committee will receive consideration when received. But the existence of certain special revenues arising out of the war and after-war conditions can have no bearing on the question whether money can and should be provided by the Government for such a purpose. That question must be considered in the ordinary course along with other demands for Government expenditure.

(*d*) The question whether these profits will be available for credit to the revenues of the Government of India has been under discussion with the British Government for some time, being linked up with various other questions connected with these enemy ships. A final decision has not yet been arrived at. The Government were of course aware of the existence of these profits, but they had no knowledge as to how much, if any, of the sums in question would eventually be allocated to India.

It would clearly have been improper to base the financial programme of Government on a problematic extraordinary receipt of this character which moreover did not involve any actual cash receipt in the year 1923-24.

(*c*) The profits have been lying in the balances of the Secretary of State and the High Commissioner for India, and have been utilised for ways and means purposes in meeting disbursements by these authorities on behalf of India. They have thus served to increase the amount earned in interest on cash balances.

THE HONOURABLE MR. PHIROZE C. SETHNA: Were any attempts made before the preparation of last year's Budget for utilizing the whole or a portion of this money which would have saved the increase in the salt tax?

THE HONOURABLE MR. A. C. McWATTERS: The matter has been constantly under discussion for some time past before the last Budget.

LETTER POSTAGE BETWEEN INDIA AND THE UNITED KINGDOM.

48. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) Has the attention of the Government been drawn to the anomaly in the postage rates between this country and the United Kingdom, *viz.*, that the rate on letters from India to the United Kingdom is 2 annas per oz. whereas it is 1½*d.* (which is about 1½ annas) from the United Kingdom to India?

(*b*) Will Government be pleased to state the reasons for such difference in rates?

THE HONOURABLE MR. A. H. LEY: (*a*) Yes.

(*b*) Up to 31st March 1923, letter postage receipts between India and the United Kingdom were pooled and the rates of postage in India were assimilated as far as possible to those which were fixed in England. The initial Empire letter rate was for a long time 1*d.* After the outbreak of war it was raised to 1½*d.* and then to 2*d.* On the 29th May 1922 it was reduced in England to 1½*d.* As India had raised her internal rates of postage with effect from the 24th April 1922 in the general interests of the postal revenues, it was deemed inadvisable to reduce the rate for letters from India to England. The loss by reducing this rate will be heavier now than would have been the case had the pooling system continued.

MILITARY HOSPITALS.

49. THE HONOURABLE MR. PHIROZE C. SETHNA: With regard to *question No. 3, on 16th July 1923, will Government be pleased to state if the investigation into the question whether it is possible to close forthwith certain military hospitals and to reduce the number of beds in both British and Indian station hospitals has been completed and, if so, the result of such investigation?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: A statement indicating the action that has so far been taken in the matter is laid on the table. The investigation has not yet been fully completed.

* Page 1470, Council of State Debates, Vol. III.

Statement showing the action taken with regard to the closing down of certain Military hospitals and reducing the number of beds in British and Indian Station Hospitals.

The British Station Hospital, Saugor, has been reduced from 5th class to a non-dieted hospital.

A proposal to close the British Station Hospital, Campbellpur has been received and is under consideration at Army Headquarters.

The British Station Hospital, Indore, has been finally closed.

The Indian Station Hospital, Fort Cavagnari, has been reduced from 5th class to a non-dieted hospital.

The British Station Hospital, St. Thomas' Mount, Madras, has been finally closed.

The Indian Station Hospital, Barrackpore, has been finally closed.

The British Station Hospital, Muttra, will close when the British cavalry unit at that station has been removed.

The British Station Hospital, Kirkee, has been reduced from 3rd class to a detention hospital, and the family hospital at that station has been closed.

The British Station Hospital, Kailana, has been reduced from a section hospital of 75 beds to a detention hospital of 10 beds.

The Indian Station Hospital, Takdah, has been finally closed.

The British Station Hospital, Neemuch, has been finally closed.

The total number of beds which have been reduced up to date is as follows:

British.

Northern Command	1,051	
Southern Command	432	
Eastern Command	333	
Western Command	83	
Burma District	61	
Aden Brigade	24	
Total	1,984	
		1,984

Indian.

Northern Command	1,180	
Southern Command	618	
Eastern Command	127	
Western Command	195	
Burma District	*nil.*	
Aden Brigade	40	
Total	2,160	
		2,160
GRAND TOTAL	...	4,144

MILITARY DAIRIES.

50. THE HONOURABLE MR. PHIROZE C. SETHNA: With regard to *question No. 5, on 16th July 1923, will Government be pleased to state what further action they have taken regarding military dairies?

* Page 1471, Council of State Debates, Vol. III.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The following steps have been taken:—

(*a*) A considerable reduction in the administrative and executive staffs is being effected. Instead of a three-circle organisation, it is proposed that, with effect from the 1st April 1924, the administration of the Dairy Farms shall be carried out with a two-circle organisation.

(*b*) The revision of the sale rates of dairy produce is under consideration; and

(*c*) The military dairies at Bangalore and Wellington, as well as the Young Stock farm at Karnal, have been transferred to the Imperial Agricultural Department.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government consider the desirability of handing these dairies over to private management and coming to an arrangement with private managers for the supply of military requirements? If that is done, would it not conduce to economy?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: This question has already been considered by us on several occasions. I do not think that we have yet come across any instance where we can hand them over as the Honourable Member suggests, but it is engaging our very close attention.

INDIA'S CONTRIBUTION TO THE EXPENSES OF THE LEAGUE OF NATIONS.

51. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what action they propose to take with a view to obtaining a reduction in India's contribution to the expenses of the League of Nations?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: The Honourable Member's attention is invited to Part XV of the Summary of the Proceedings of the Imperial Conference, 1923, a copy of which is laid on the table, and to paragraphs 48 to 51 of the Report of the delegates of India to the Fourth Session of the Assembly of the League of Nations (1923) which was published in the *Gazette of India Extraordinary*, dated the 1st February, 1924. The Government of India do not propose to anticipate the re-opening of this question at the Assembly of the League in 1924.

XV.—Contribution of India to the Expenses of the League of Nations.

The question of the contribution of India to the expenses of the League of Nations was raised by the representatives of India at the Conference and was referred to a Committee under the Chairmanship of the Secretary of State for the Colonies. It was there explained by Sir Tej Bahadur Sapru that India was assessed far higher than any other part of the Empire, except Great Britain. In 1922, Lord Balfour had stated publicly at a meeting of the Assembly that the various parts of the Empire represented on the League would settle among themselves the exact amount which each would find. India desired to ascertain whether, in view of this statement, some relief could be afforded by the other parts of the Empire.

The members of the Committee representing Great Britain and the Dominions, while expressing sympathy with the difficulties of India, explained that their Governments were not able to agree to any variation from the standard of contributions already laid down by the Assembly for 1923 and 1924.

In the circumstances it was, of course, impossible for the Committee as a whole to make any recommendation. Sir Tej Bahadur Sapru intimated that India must necessarily reserve the right to raise the question of its contribution at the League Assembly of 1924, and the Secretary of State for India, as Head of the Indian Delegation, affirmed this attitude when the matter came up before the Conference.

The Conference took note of the position.

RESOLUTION *RE* INQUIRY INTO THE ECONOMIC CONDITIONS OF THE PEOPLE OF INDIA.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I beg to move that:

> "This Council recommends to the Governor General in Council that a Committee consisting of a majority of non-official Indians be appointed to make a full and detailed survey of the economic conditions of the people of India with special reference to the condition of the agricultural population, with a view to finding out the average annual income per head of the population, particularly of the agricultural population, and to inquire into and report on the measures that should be adopted to reduce, as far as possible, the existing destitution and poverty in the country and to raise the average economic level of the masses of the people."

As Honourable Members are aware, there was a time not many years back when the public mind in India was exercised on no question more so than on the question of what was described as the ghastly and growing poverty of this country. Our Western educated youths turned out by our Colleges and Universities in increasing numbers year after year fully recognised the manifold blessings and advantages of British rule, but, at the same time, they began to feel with a conviction that grew stronger and stronger as the years rolled by and as the country was devastated by a series of dreadful famines, that these blessings were at least partially off-set because the poverty of India was growing apace. It was to be looked upon as a serious blot on British administration and as constituting a grave political danger. The first exponent of that school of thought was that Grand Old Man of India, the late Dadabhai Naoroji, to mention whose name is to bring before the mind's eye the long history of India's struggle for political enfranchisement. It would be no exaggeration to say that the great mission of this great man's life was to impress upon the British Parliament and upon the British public the growing poverty of India and the sacred duty which they owed to themselves and to this country which in the inscrutable dispensation of Providence had come under their rule to mitigate and to remove it. As I have said, Sir, it was Dadabhai Naoroji who was the greatest exponent of that school of thought. But amongst the many very powerful and able representatives of that school of thought there was also such high-minded and highly placed British officials as Sir William Wedderburn and Mr. Allan O. Hume, distinguished members of the Indian Civil Service, who have shed great lustre on that service and whose careers can well be held forth as patterns and exemplars for the present and for the future members of that service to follow and imitate. The Government of India, however, would not admit that the Indian raiyat had become less poor and less prosperous under British rule than he was under Hindu or Muhammadan rule.

Nothing arouses the angry passions of any Government more so than the allegation or even the suggestion that their rule has contributed to the impoverishment of the masses. No Government would like the charge against them that the masses under their rule are less prosperous than what they have been or were supposed to be under the rule of those whom they have succeeded or displaced. Such being the normal nature of all Governments, it was no wonder that the school of thought represented by Dadabhai Naoroji and others was strongly opposed by the Government and aroused bitter passions and controversies as between them and the leaders of Indian public opinion. To-day, it seems as if the controversies are ended and the leaders of public opinion are no longer troubling themselves with the question whether the masses of India are becoming

poorer or richer under British rule. Indian politics have entered on a new phase and the cry of Swaraj has drowned every other voice. Problems of power and control have absorbed all public attention and monopolised all channels of political activity. Nevertheless, there could be no greater mistake than to think that this great question of the economic condition of the masses of India has lost all its serious importance and urgency, and that its solution can safely be left to the slow normal operation of such ordinary forces as departmental machinery can set in motion. On the contrary, I venture to submit that precisely because the air is at times thick with strange ideas that go to the very root of the political order, it is the bounden duty of Government to adopt—and adopt promptly—every possible measure that may conduce to the contentment and prosperity of the masses, bring down poverty and destitution within such limits as are under the control of human effort and thereby keep the vast millions of India out of the sinister influence of revolutionary ideas and movements.

In bringing forward this Resolution, I wish to assure Government and this House that I am actuated by no desire to draw any comparisons between the condition of the masses under the British and under the Hindu and Muhammadan rule. I disown the least desire to draw any comparisons. This is not at all necessary for the object I have in view Nor do I think that by adopting such a method of discussion, I can hope to persuade Government to accept my Resolution. I want to raise the question to a loftier altitude where no national self-respect will be wounded, no national susceptibilities offended and no passions aroused, where we can all meet on a common platform, and being inspired by no other spirit than the noble scientific spirit of truth, shall endeavour to ascertain facts as they are to-day, not as they existed a century or five centuries back, but to-day, and take, counsel together with a view to devising such remedial measures as a thorough, patient and comprehensive examination of the whole subject may suggest to our deliberate judgment. What is of real live interest and of practical importance is to know the situation as it really is, to face the facts which are beyond the domain of doubt and controversy and to adopt measures that will cure the evils about the prevalence of which no question can arise. It is in this spirit that I am moving my Resolution and it is in the same spirit that I would earnestly appeal to Government and the House to consider it.

If there has been in the past much wild talk and writing, even inflammatory, the Government have themselves to thank for it. For they have always shirked a full, detailed and open inquiry into the economic conditions of the masses and, in the absence of clearly ascertained and well authenticated data, conjecture, surmise, one-sided and exaggerated statements, influenced by the bias of patriotism, are bound to receive ready acceptance and pass current as undoubted truths. Even an inquiry on a strictly limited scale into the economic condition of a few typical villages has not been publicly made. In speaking on the Budget in 1902, the late Mr. Gokhale rightly said that, if the Government would undertake such an open inquiry, it would certainly clear many of the prevailing misapprehensions on the subject. But though the Government are believed to have made inquiries of some kind or other in the past departmentally or confidentially, they have never summoned courage to make such inquiries openly, much less to make a comprehensive and detailed survey and examination of the economic condition of the people in every province. The results of such inquiries as they might have made are treated as

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strictly confidential, and the profane non-official eye is not allowed to obtain even a glimpse of these official mysteries.

It is said that in 1882 there was an inquiry called the Cromer Inquiry, another made by Lord Dufferin in 1887-88, and a third one undertaken in 1891. Again, in 1898, when the Famine Commission was appointed, the Provincial Governments are said to have submitted to it valuable statistical memoranda and notes on the conditions of the lower classes in rural areas. All these papers and documents are treated as confidential and withheld from the public. It is further obvious that these are all old inquiries, made forty or thirty years ago, and their results, however important and valuable they might be, cannot enable us to know the situation as it exists at the present moment, unless those results are supplemented, corrected and modified by a fresh up-to-date inquiry. When we bear in mind that the results of the old inquiries, such as they were, have been treated as confidential and withheld from the public, and, further, that no fresh inquiry has been made during the period of a generation, what wonder is there that hostile critics of the Government would openly allege or cunningly insinuate that the Government do not really wish to face an open, thorough and detailed inquiry into the economic condition of the masses, because forsooth the results of such an inquiry cannot but reveal a state of things that would redound to its credit.

Whatever valid excuse might have been made in the past no such excuse can reasonably be pleaded in these more spacious days, when the constitution of the Government is liberalised, and the representatives of the people share with the Government the responsibility for the welfare, the prosperity and the progress of the people. In the pre-Reform days all responsibility for improvement or deterioration in the condition of the masses rested with the Government, which was then avowedly and completely autocratic and professed to be paternal. If the condition of the masses showed improvement, all credit was theirs, the discredit was also theirs. But the situation has now changed and the Legislature now shares with the Executive Government the sacred duty and the proud privilege of doing all that may be necessary and be found feasible to ameliorate the conditions of the masses, to lessen their burdens and in general to raise their average level.

We may hold that the prosperity of India has increased under British rule or we may maintain the contrary view. None can honestly and seriously contest the position that a large percentage of the population are poor, very poor. The relative poverty of India under British rule and under the preceding Moslem and Hindu rule is justly open to doubt and dispute. We admit that India is now the largest exporter of rice in the world. She holds the first place in her exports of tea and, together with Ceylon, exports more than half the tea crop in the world. Next to the Argentine she is the largest exporter of hides, and next to the United States the largest exporter of cotton in the world. Next to the United States she is the largest wheat producing country in the world, while Bengal holds the virtual monopoly of the jute trade. Her system of irrigation stands easily first, being far more extensive than that of Egypt or America. But despite this, and, although it may sound as a paradox, her poverty, the absolute poverty of by far the greater portion of the agricultural population cannot but be admitted by all those who have given any thought to the subject.

The poverty of India is a commonplace and it is recognised by all. I can quote statement after statement made by responsible officials, administrators and statesmen, ranging over a long period of about seventy years from 1853 upwards, all testifying to the poverty of this country. In 1853, John Bright said in the House of Commons that the cultivators of the soil:

"the great body of the population of India, are in a condition of great impoverishment, of great dejection and of great suffering".

Ten years later, Lord Lawrence said that—

"India is on the whole a very poor country. The mass of the people enjoy only a scanty subsistence".

In 1881, Sir William Hunter said:

"Forty millions of the people habitually go through life on insufficient food".

The Duke of Argyle in an article he contributed to the Nineteenth Century in 1883 observed:

"We have indeed of poverty and of destitution more or less numerous examples in European countries. But of chronic poverty and of permanent reduction to the lowest level of subsistence such as prevail only too widely among the vast populations of rural India, we have no example in the Western world".

In 1888, Sir Charles Elliot said:

"I do not hesitate to say that half the agricultural population do not know from one year's end to another what it is to have a full meal".

These are the opinions of men who were well acquainted with their subject, but it may be said they are old testimonies. I shall therefore quote one or two recent ones. The distinguished authors of the Montagu-Chelmsford Report say:

"The Indian Government compiles no statistics showing the distribution of wealth, but such incomplete figures as we have obtained show that the number of persons enjoying a substantial income is very small. In one province the total number of persons who enjoyed an income of £66 a year derived from other sources than land was 30,000, in another province 20,000. The revenue and net returns also show how small the average agricultural holding is. According to our estimate the number of landlords whose income derived from their property holdings exceeds £20 a year in the United Provinces is about 1,26,000 out of a population of 48 millions. It is evident that the curve of wealth descends very steeply and that enormous masses of the population"— note this words "have little to spare for more than the necessaries of life".

Commenting upon this a critic says:—

"Just reflect quietly upon what it means to declare in serious official statistics that less than 3 per 1,000 holders of land obtain from their holdings more than 8*s.* a week for themselves and their holdings".

And he adds:—

"There is no such hopeless poverty on earth as that which exists and continues under British rule in India. So frightful is the impoverishment that the Government dare not publish official statistics on the subject."

This was written by an English critic of the Indian administration soon after the publication of the Montagu-Chelmsford Report. Notwithstanding such authoritative testimony, Sir George Lloyd, late Governor of Bombay, as recently as only two months back, at a meeting in that city of the Associated Chambers of Commerce, decried that section of the Indian Press and the Indian public who make out that India is extremely poor, and he treated as unreliable the statistics put forward by them. He adduced certain figures which are one-sided and misleading and he has left out of consideration the lessened purchasing power of the Rupee, but even then, on his own showing, the annual Indian income works out at

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Rs. 49 per head, a fact of which as an administrator of an Indian province he himself can hardly be proud.

I shall quote one more testimony—also very recent—certainly more authoritative than Sir George Lloyd's, and then bring to a close this part of my argument. It comes from the Government of India—the present Government presided over by His Excellency Lord Reading—and ought to be regarded as conclusive. In the Report for 1921-22, otherwise called "India in 1921-22" prepared for presentation to Parliament in accordance with the requirements of section 26 of the Government of India Act, Professor Rushbrook Williams, the author of the Report, in dealing with the position of the agricultural population, refers to the estimate of the agricultural income in the Madras Presidency, prepared by the Statistical Branch of the Department of Agriculture of that Presidency an estimate which he says, proves a tendency towards improvement, observes:

"The symptoms of increasing prosperity ought not to disguise from the observer the poverty which besets the masses of the population—poverty of a kind which finds no parallel in the more exigent because less tropical climate of Europe".

He says that:

"The majority of the population in British India are poor and helpless beyond Western conception",

and rightly describes the problem of Indian poverty as "a gigantic problem". Here is a clear admission on the part of the Government that the Indian masses are suffering from great poverty.

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It may be asked if the general poverty of India is admitted on all hands and is frankly recognised by the Government themselves, what is the use of making an inquiry such as my Resolution proposes? The answer is that, though we may all admit and recognise in a general way that the masses of India are poor, we are lacking in full, accurate and up-to-date knowledge of the precise character and extent of Indian poverty. Again, our ideas about the root causes of that poverty are anything but full and accurate. The House is aware of the different estimates of the average income per head of the population made by different men at different times. In 1870, the late Dadabhai Naoroji made a calculation which gave 40*s*. as the annual income per head of the population. The exchange value of a £ in those days was Rs. 10, so that that gives Rs. 20 as the average annual income per head. This estimate was accepted as correct by Grant Duff and Lord Mayo. In 1882, Lord Cromer (then Major Baring) said in his speech on the Budget that the average income per head was Rs. 27. In 1901, Lord Curzon, the then Governor General of India, discussed the question of Indian poverty in his budget speech, and after analysing certain figures, drew the conclusion that the average annual income was Rs. 30. Since that date I am not aware of any other official calculations beyond what were made in one or two provinces. In the Bombay Presidency, Mr. G. Finlay Shirras, who is responsible for the preparation of all statistics for the Bombay Government, says:

"The net per capital annual income, which is arrived at by dividing the gross income of the family (*minus* agricultural and business expenditure) by the total number of persons in the family, works out at about Rs. 100 for urban localities, and for rural localities at about Rs. 75. In Bombay City, however, it has been estimated, as the result of investigations of nearly 2,500 family budgets, that the monthly income of an average working class family, consisting of 1·1 man, 1·1 woman and 2·0 children, works out at Rs. 52/4/6 per month".

The other official inquiry is the one to which I have already referred, namely that undertaken by the Agricultural Department in Madras, and which gives the income at Rs. 100 per annum. In regard to this increase, Professor Rushbrook Williams says, in " India in 1921-22 ", as follows:—

" The statement has so often been repeated that the average income per head for all India is only Rs. 30 that some people are likely to be astonished at a figure so large as that apparently prevailing in the Madras Presidency. But it must be remembered that the estimate of Rs. 30 was made at the close of the last century and further that it was a minimum, not a maximum, estimate of the average income. Since it was arrived at, the alteration of prices has been so great that the purchasing power of Rs. 100 in 1920 is only 40 per cent. greater than that of Rs. 30 in 1899."

The late Mr. Gokhale in a speech which he made at the National Liberal Club in London said that, according to official estimates, the average annual income in India was £2 per head and according to non-official estimates only a little more than £1 per head, as against an income of £42 per head in the United Kingdom.

According to Sir M. Visvesvaraya, the President of the Seventh Indian Economic Conference, held in Bombay just a fortnight back:

" the wealth of India before the war was estimated at £3,600 millions or Rs. 5,400 crores. This meant an average property or wealth amounting to Rs. 180 per head of population. The corresponding figure for Canada was a little over Rs. 4,400; that for the United Kingdom Rs. 6,000. Again the annual income per head in India at the present reduced value of money varies from between Rs. 45 and Rs. 60 . . . . . This is the average, but the income of the poorest classes is of course much lower than this ".

These different estimates of the average annual income per head of the population made at different periods clearly point to the necessity of a thorough and up-to-date examination of the whole question, so that instead of relying on impressions, surmises, one-sided statements often inspired by preconceived views and notions, and half truths, our knowledge of the subject may be worked by that fulness, clarity and accuracy which are absolutely necessary and without which it is impossible to devise a comprehensive and effective scheme of measures for bringing down poverty to the lowest level to which it can be reduced by State action and for improving the general economical condition of the people. I venture to think, Sir, that it would be no exaggeration if I were to say that the Government have not faced the problem of Indian poverty with that courage, that tenacity of purpose and that earnest zeal which the vast importance of the issues involved in the problem demands. All that they have hitherto done, or are doing, amounts to no more than mere tinkering with the problem. Until and unless the economic level of the Indian masses is so raised that they will have within their reach not only the necessaries of life but also some of the amenities and comforts of civilised existence, Government will have been guilty of a gross dereliction of their duty by them. The problem of the poverty of India may be a gigantic one; it may be a Herculean task to raise the economic level of the Indian masses. But if the problem is gigantic and the task Herculean, the object to be achieved is indeed great and worthy of a highly enlightened and progressive Government as the British. What can be a higher and nobler title to glory than that the British Government have not only set India on the path of self-government but also spread plenty and prosperity among even her teeming toiling, millions and raised them from grim heart-rending poverty to a worthy level of material existence such as befits civilised men and citizens of an enlightened and progressive commonwealth of Nations. Sir, I earnestly appeal to the House and to Government to accept my Resolution.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, being an elected Member of the Zamindars, I cannot let this occasion pass without taking part in the debate. Though, when a similar occasion occurs, one has to say the same thing over and over again, we know that, if one goes on knocking at the door, it may some day be opened. If this Resolution is accepted, I am sure that the money spent on it will be much better spent than it has hitherto been spent on any other object. The Zamindars, as we have heard from the Honourable Mr. Sethna also, are badly off. Every ten or twenty years there is a settlement in which more revenue is levied on them. The land, owing to its being tilled regularly for a long period, gets deteriorated as Science admits, and even if the water supply is diminished and the prices get cheap, the settlements continue. I have seen this done in many places in my part of the country.

As regards equalising the burden, the Zamindar has to pay even on a small holding, while his brother the money-lender is not asked to give anything even if he earns Rs. 2,000. No doubt, some people may say that there are wealthy Zamindars. Of course there are a few here and there, but I can safely say that they are not even 5 per cent. of the others who are just like those we have been hearing about from our friend. There are men who only find food perhaps once in twenty-four hours, and, if one were to see the people especially outside Delhi, one would see from their limbs that from the beginning they have had no chance of getting sufficient food and developing their bodies. Before the present Government, other Governments used to levy their dues in kind. If there was a bad crop, they used to take one-fourth or one-tenth of that crop. If it was a good crop, and if the ryot had to give more, he did not mind it much. In the beginning of the Raj, in the Punjab, most people, knowing that they would have to give Government dues in money, did not claim their lands. There are hundreds of good families which now go about having no land, while the others have taken their property. If India was not poor, people would not go out of the country and be humiliated as is the case in some of the Colonies. I think that if the Resolution was adopted, and something done towards seeing that the people got sufficient food in their own country, it will be a great thing. The great difficulty of the Zamindar is that a good portion of their money is taken away by the Sarcar (Government) as their dues. Then comes the Ahilkar (the Government official). As you know, some of the petty officials are very badly paid and they want more money to live. They have only to depend on the Zamindars from whom they extract it. Then comes the Sowcar (the money-lender). When the time for Government dues comes, and the Zamindar has got no money, he has to go in search of a money-lender to ask for it, and when once he gets it, he can never get out of debt, owing to interest and compound interest.

There is one thing on which I do not agree with my Honourable friend, Mr. Sethna, and that is, when he said that it is poverty that is bringing about trouble in this country and revolution. I think it is something else and I may have to say it when the other Resolution comes on. One man was seen taking away the bark of a tree and cutting grass. He was asked why he was doing so, and he said that he could not have sufficient wheat flour and that he must mix three-fourths of these with it.

Then, Sir, the Zamindar is also driven to be a labourer after he has consumed the produce from his land which he finishes generally in about two months, and for the other ten months he has to become a labourer.

It is well known that a labourer can sometimes get 8 annas or a rupee or even two rupees if he is a skilled labourer. But the Zamindar, as we have heard from my Honourable friend, Mr. Sethna, does not get anything like that. In my opinion, Sir, every man who is born in this country has got a right to live, and if the annual produce from his land is not sufficient for his food, he should not be taxed at all. If there are others who are let off lightly, and if they come forward and bear the burden, then we will say that Government is thinking of other sources also. In the end, Sir, I strongly recommend that this Resolution of Mr. Sethna, to whom all the Zamindars ought to be very thankful for bringing it forward, should be adopted.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): Sir, it gives me very great pleasure to support this Resolution.

This is the first time when a town-dweller has been persuaded to admit that the agriculturists also deserve his attention. From the day it was my privilege to come to this House, I have done my best to bring the agricultural problem and the economic conditions of the country to the notice of this House, but I deeply regret, Sir, that so far, this House has not gone into the question as earnestly as it might have done.

By a strange coincidence, yesterday in the "Pioneer" there appeared the important speech of His Excellency the Viceroy and, at the same time, appeared the programme of the Labour Ministry. The very important speech of His Excellency dealt with the internal and external problems of India, with our foreign relations and with the political problems that are engaging the attention of the country, but so far as the economic and material interests of the country are concerned, the speech was practically silent. In a pregnant sentence His Excellency mentions the need for the development of the material and political welfare of the country. Material welfare is certainly mentioned, but without any programme or policy being indicated towards its attainment. The week-old Labour Ministry is engaged in lightening taxation, in providing houses for the houseless and in promoting agriculture by providing subsidies while our Government is engaged on academic discussions.

His Excellency may be justified in leaving these material problems alone, but the Members of his Government, the Revenue Member and the Finance Member, who are directly concerned with the prosperity of the country, have also remained silent throughout the whole of the election campaign. They have given no lead as to their future policy regarding the question of poverty and regarding providing stability of values. I have just heard, when I entered this Council, that the Revenue Member might repent and do something in starting an inquiry.

I read with great interest the speech delivered by our Finance Member before the Chamber of Commerce in Bombay. He dealt with the exchange question only from the point of view of external trade.

But so far as the stability of the values in this country was concerned he said nothing; he talked of the paper and silver notes, but nothing could persuade him to put an end to the fraud of keeping a fictitious exchange rate in the Statute. What we want is a stable currency on which the trader and the producer could both depend. He said nothing regarding the creation of agricultural credits and providing money for the development of agriculture. Even, to-day, after the new Councils have met, we have no programme or policy regarding the economic development of the country before us.

[Sardar Jogendra Singh.]

What our Statesmen have passed over lightly has been placed in a clear light by Her Excellency Lady Reading. I was deeply interested in the Baby week organised by Her Excellency. There we were enabled to see the squalid surroundings in which babies are brought up, and it follows that, if babies are to be looked after properly, the parents must have proper nourishment; the significance of this discovery will bring home the question of providing proper nourishment for the people. This question will have to be tackled by our Ministers and by our Cabinet Ministers. His Excellency the Viceroy also spoke of the coming convalescence of the country. I am quite sure that, so far as the trade of the country is concerned, it is reviving; but so far as the chronic poverty of India is concerned, trade does not affect it at all. The doctors at Whitehall and Simla have had their political axes to grind, their particular theories to ventilate. The definitions of land-revenue have provided lists for many breaking of the lances. The main question remains, namely, the determination of the agricultural income of the population and the surplus available for taxation; and not only for taxes, but the surplus available for the development of agriculture. That question has been shelved from year to year, as has been pointed out by the Honourable Mr. Sethna. I do not know even now how it is going to be tackled. It is a gigantic question and will have to be tackled, if India is to revive and attain prosperity and be contented. It is not by political tinkering only that India will find contentment; it is by providing a way by which the millions of her people can find employment; we have hundreds who have spent years in Universities and cannot find work anywhere. The Honourable Mr. Sethna, in talking of poverty, gave out estimates of incomes framed by various people from time to time. The people are poor because the pressure of population has been increasing; in some provinces the holdings are very small and are altogether inadequate to provide enough nourishment. In the Punjab we have one acre per head; in the United Provinces it is only 0·6; in Bengal, 0·5, I think it works out to even less in some Provinces. These small holdings have no permanent means of irrigation; where irrigation is not available, it is not possible for the agriculturist to produce enough food for himself. It is all a question of capital and brains coming to the assistance of agriculture to devise new means of intensive agriculture. Here in the Legislative Assembly and in the Council and the Government of India, we are always engaged about political progress, but political progress is a means to an end and that end is none other than the well-being of the people. I wish the Government paid more attention to this matter of the promotion of the welfare of agriculturists who make up the mass of our population. The inquiry will have to be carried out in every province separately and then co-ordinated by a central committee. It should not merely be an inquiry to estimate the income of the people; it should go further and find out new resources from which new income could be produced. It will have to survey the whole field of agriculture, the nature of the holdings, the present and past situation of the peasants and farm workers, the determination of agricultural incomes and the surplus available both for the purpose of production and for the purpose of taxation, the fixing of a new ratio of land tax, which is a very important question. The agriculturist has paid something like 50 per cent. of his income for a long time, while our friends from the towns have paid quite a different proportion of their incomes as tax. This proportion which the agriculturist has to pay must be revised in conformity with the modern standards of taxation, taking into consideration the ability of the tax-payers, the surplus available and all

other factors which are relevant to the question. It might perhaps be said on the official side that the Settlement Officer goes into the question very carefully. I admit he does, according to the standards set up for him; he even tries to be lenient. But the standard is too high, and to it has to be added cesses and rates which take the percentage to something like 60 per cent; however lenient the Settlement Officer might be, the tradition is there and he cannot depart from it to any large extent.

Then a most important question is the creation of more irrigation facilities. Irrigation from wells has not been taken up on modern lines. The report of the Irrigation Commission is out of date. We not only need this Committee, but an Irrigation Commission again, surveying the whole field of irrigation from wells, rivers and other sources, if agriculture is to be placed on a proper basis.

Then, Sir, if one might indulge in a little dream—and that dream is a dream which the Government of India and all patriots may dream—it is a dream of restoring the village as an economic unit and bringing civilisation home to the villages. It is a dream to make power available in the villages for weaving, for pressing oil and for all other purposes. It is not impossible now. In the olden days, when the factory was limited by steam-power, it was not possible; but now with electric power, each village can be made into an economic unit saved from the ill effects of its population wandering out to the towns. It is only at long intervals that people come to a crucial point; and, if I can claim any knowledge of the agricultural classes I can tell this Council, that the people in the villages are losing faith and losing hope; and unless immediate steps are taken to restore faith and hope and to organise agriculture a grim harvest awaits. The Government has been brought to a test which they have to meet; and, if they fail the difficulties of the Government will grow very largely. The splendours of our port towns of Calcutta and Bombay, and the splendour of even new Delhi are overshadowed by the poverty which surrounds us on all sides. It is not the kind of poverty which my Honourable friend, Sir Malik Umar Hayat Khan, just now mentioned; but it is poverty of a different kind, and it varies from province to province, according to the nature of the holdings.

In some provinces, I know, there is quite a large percentage of the people who are not able to secure one meal a day; in other provinces, where taxation is lighter, and irrigation is guaranteed, people get better food and are better clad and they make themselves better workers. The main question is to provide better food in all the provinces, to equalise taxation all over India, which now varies from province to province, and in some provinces from district to district, and to carry out a further inquiry and organize agriculture as it is being organized in other countries, and thus the Government may justify their oft-repeated statement that they have only the interests of the agriculturists at heart and that they are working practically in the interests of the agriculturists.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, in rising to express my views on this Resolution, I do not desire to throw cold water on it or to minimise its importance in any way. I acknowledge that my Honourable friend, Mr. Sethna, has done a distinct service to the country and to this Council in bringing forward this debate to-day. Though I agree with him in much that he has said this morning as regards the general poverty of the country and the want of up-to-date statistics, I fear I cannot go the whole hog or to the full extent of his

[Sir Maneckji Dadabhoy.]

indictment regarding the general poverty of the country. While agreeing with him on many points—he will pardon me for mentioning it—I feel that the picture which he has drawn is in many parts overdrawn. I do not for a moment wish to assert in this Council that there is no poverty in this country. It is a problem which all the important countries all over the world are facing to-day. There is poverty in Western countries, there is poverty in the Dominions and there is poverty in India as well, but it is a mere matter of relativity and comparison; and though I am prepared to admit that, comparatively, India is poor and needs the inquiry suggested by him, I must say that there are other aspects of the question which are open to question and which require full discussion. I have for some time past tried to study this question; I have for some time past vainly tried to answer it and find out for myself where the large quantity of silver, the large quantity of gold, which is imported every year into this country goes and where it is absorbed. Some explanation is necessary with regard to that. I thought that my Honourable friend Mr. Sethna, would have thrown . . . .

THE HONOURABLE SARDAR JOGENDRA SINGH: Does the trade of the country come to only Rs. 20 per head?

THE HONOURABLE SIR MANECKJI DADABHOY: I will answer that presently. I thought my Honourable friend Mr. Sethna would have thrown some light on the point as to where all this large quantity of gold and silver, that is annually imported into this country, goes.

Another matter on which I am disappointed with my friend is that, though he has discussed the question of the poverty of India with such masterly ability, he has not said anything about the merits of his Resolution regarding the appointment of the Committee, and the feasibility of carrying out the suggested inquiry. I have some misgivings on this subject. I am ordinarily in favour of Committees, certainly; but I am very doubtful that a Committee of the type suggested by my Honourable friend will be of any help or value in the solution of one of the most important problems affecting this country at present. My Honourable friend asks that a Committee consisting of non-official Members be appointed. In my humble opinion a Committee of that nature consisting mostly of non-official Members, is wholly unfit to undertake the task suggested. . . . . .

THE HONOURABLE MR. PHIROZE C. SETHNA: A majority of non-official Members.

THE HONOURABLE SIR MANECKJI DADABHOY: Yes. With great deference to him, I would say that in my humble opinion such a Committee would be practically useless. We do not want a Committee consisting of a majority of non-official Members to tackle such an important, such a vital and such a technical question as the poverty of India, which requires personal and intimate knowledge of the economics and of the great problems not affecting India alone but affecting the entire world. My fear is that a Committee of this nature would not be of great value and would not be in a position to tackle this very important problem. My opinion is that we want an expert Committee, we want a Committee of financiers; we want a Committee of men who have spent all their lives in the study of this important economic problem and who could be in a position to deal with such a great and difficult problem with that masterly

knowledge and information which is only compatible with technical qualifications. It is for this reason that I am not in entire accord with the proposed Committee. Further, the contemplated inquiry is of a very comprehensive type. India is populated by different classes and creeds, men carrying on different vocations in different parts of the country, and I am very doubtful whether an All-India inquiry will be a great success. We want local inquiries, if possible; we want each province to take up its own special problem with the assistance and profound knowledge of their own economists, with the help of their own men, learned and trained in these subjects, to solve their own problems. I am not opposed, Sir, to any inquiry of this kind. I think the question is a very vital one and needs immediate investigation. It needs the immediate attention of the Members of this Council, and we would be failing in our duty if we did not support this Resolution.

But there is also another question, Sir, and that relates to the cost of this Commission. A Commission of this nature will not be able to conclude its labours under a period of three or four years and will cost an enormous amount. We have spent during the last ten years, according to the statement of Lord Inchcape's Commission, 68 lakhs of rupees on Commissions and Inquiries and one of the recommendations of the Inchcape Committee was to avoid, as far as possible, unprofitable Commissions and Inquiries of this nature. I cannot do better than read a small extract from Lord Inchcape's Report which will answer more effectively the objections to the inquiry which Mr. Sethna has passed over in his speech to-day to this House. Lord Inchcape's Committee stated thus:—

"We recognise that recourse to Committees is in many cases desirable, but from a perusal of the list we cannot but feel that their appointment has not in all cases been justified, and that the results obtained have not always been commensurate with the expenditure involved and with the amount of time and labour occupied in the preparation of cases for the Committees and in the subsequent consideration of the Reports. We therefore recommend that this elaborate and expensive procedure for the settlement of current problems be resorted to only in exceptional cases".

We appointed only lately a big Commission like the Inchcape Committee to inquire into our ever growing expenditure, and I am not in a position to support this proposal, unless the Local Governments or Mr. Sethna would suggest some reasonable *modus operandi* which would vouchsafe the success of any such inquiry and justify expenditure of this nature.

I am all in all for a well appointed Committee, but, before we definitely decide the *modus operandi*, the manner in which this Committee is to carry on its labours, the composition of the Committee, and so on, it is necessary in my opinion that the Local Governments should be consulted and their opinions obtained. It is no use rushing with a Resolution of this kind. As I said before, Sir, I do not underrate the importance of the Resolution. It is an important Resolution and, with your leave, therefore, I shall move the following amendment:

"That after the words in the Resolution on the paper 'Governor General in Council' the following words be substituted:

'that the Local Governments may be consulted with regard to the desirability of undertaking an inquiry into the general economic conditions of British India and whether they are prepared to support the proposal to appoint a Committee and to co-operate in its labours if appointed.'"

THE HONOURABLE THE PRESIDENT: That amendment is in effect an alternative proposition and the two propositions are susceptible to discussion.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, we have listened to a very eloquent and powerful plea for the institution of an inquiry into the economic condition of British India from Mr. Sethna, a plea which was supported by various Honourable Members. I hope to be able to show in the course of the few remarks that I intend to make on the subject that there is no material difference between the Government and the Honourable Member regarding the ultimate object he has at heart. I am glad to notice that he has deliberately eschewed any comparison with regard to the state of India prior to British rule and subsequent to it. In the first place, we have no adequate materials with which a comparison can be made. In the second place, one cannot help deprecating, as he does, raising controversies which are of an absolutely futile character. I have myself dabbled in this subject as a non-official Member and have gone through the literature to which Mr. Sethna so eloquently referred. And, after I assumed charge of the Revenue portfolio, I have not been idle in instituting my own inquiries, as far as the information available among the statistical data at the disposal of the Government permitted, to see as to whether any fresh light can be thrown upon this extremely important and controversial subject.

Mr. Sethna asks us to ascertain what the average annual income per head of the population is and chiefly per head of the agricultural population, and his object in doing so is to see as to how far the charge that the people are extremely poor can be sustained as a result of that inquiry, and how far means can be conceived and considered for the purpose of ameliorating that condition. I shall not take any very critical attitude with regard to the various propositions into which we can divide up this Resolution, but will deal only with the question in its broad aspect as to whether an inquiry is needed and, if so, what the agency is which would have to be created for the purpose of instituting it. I must, on behalf of the Government, state at the outset that they consider that far from there being any sign of growing poverty, there are distinct indications of an improvement in the economic condition of the people, although it cannot but be admitted that the condition of a section of the population is not what may be desirable and that it does permit of considerable improvement, and that it should be the object both of the Government as well as of the people to take every possible step to better it. Figures have been quoted to show that the income was at one time Rs. 20, that then it rose to Rs. 27, then to Rs. 30, and so on. I have gone into the question as to the methods that were adopted in arriving at these figures, the prices at which the produce was valued, the various items that were included, and I do not think that any useful purpose would be served in taking up the time of the House in showing how fallacious many of these inquiries were and must in the nature of things be, and that is the reason for the Government being extremely cautious in stating any figures to the public as to what the condition is. The Government were not idle after the 1902 inquiry but did institute a comparison or attempted to institute a comparison in 1911. And, if I mention a figure, it is not for the purpose of stating that the Government are satisfied that that figure is correct or that the public should consider that that figure is an authoritative figure which the Government are prepared to justify; but from all that I have been able to see it seems to me a reasonable figure and the calculation shows that about Rs. 72 per head was the average income in 1911. And, if we take the rise in prices to be 50 per cent. after the war, then it can be fairly argued that the income is about Rs. 100. But I have already warned the House that these are figures which are not

put forward by the Government, but that they are figures which, *prima facie*, seem to be deducible from certain data which have been furnished to us by officers, but which are still under scrutiny, still under observation both as regards the methods and the criteria which have been employed. I have only mentioned them for the purpose of illustrating how difficult a subject it is and also how useless it is to arrive at averages.

We may take the high price of one year, say 1920-21, and arrive at a certain figure. The income per head would then appear to be very large. Straightway there has been a heavy fall in prices. If I mention the former figure, people would be perfectly justified in saying that the Government have deluded them into a wrong belief, because that figure would not be a correct figure if the next year's prices be taken into consideration. Then, again, supposing I take the figure of a prosperous year. You would arrive at a fairly high average. The next year may be a famine year and the whole of that basis would disappear. In 1902, the figure of 65 million tons of food production was taken into calculation. In 1910-11, 82 million tons of food production were taken into calculation on the then existing prices. The figures so arrived at would be fallacious if the 1919-20 famine conditions were taken into consideration, when the production of food was abnormally low. I am only mentioning this for the purpose of showing that we must not set a large store on the results of an inquiry into averages and into the average annual income per head of the population. I believe that in the United Kingdom also they have set their face against any such inquiry for that object, inasmuch as the results would be extremely fallacious and unreliable and unsafe to act upon. But that is no reason why the Government and the public should not be in possession of data running over a long period of years, whereby they can trace the growth of production, both agricultural and non-agricultural, including mineral products, so that they can see whether India is making a step forward in increasing her production under the various heads and devise steps for the purpose of accelerating the pace of production under any head where there is room for it. The question of an inquiry came up for consideration recently, because the incidence of taxation is a very important problem both for the Provinces as well as for the Central Government, and the Government after careful consideration have arrived at the conclusion that it is desirable in the general interest to institute an inquiry primarily through experts for the following objects. The announcement I am going to make is a very important announcement having a material bearing upon the subject-matter of the discussion this morning. The objects of this inquiry would be "to examine the manner in which the burden of taxation is distributed at present between the different classes of the population; to consider whether the scheme of taxation, Central, Provincial and local, is equitable and in accordance with the economic principles, and if not, in what respects it is defective; to report on the suitability of any alternative sources of taxation; to advise as to the machinery required for the imposition, assessment and collection of taxes, old and new; to prepare rough estimates of the financial effects of the proposals; to include in the inquiry the consideration of the land revenue only in so far as it is necessary for a comprehensive survey of existing conditions". I may state that the Provinces have agreed to the appointment of a Committee on the lines I have indicated with the terms of reference which I have read out just now.

THE HONOURABLE SIR MANECKJI DADABHOY: May I interrupt the Honourable Member for a minute? Was this inquiry, which the Honourable Member has just read out, in pursuance of my Resolution last July?

[Sir Narasimha Sarma.]

THE HONOURABLE SIR NARASIMHA SARMA: Indication was given by the Honourable Mr. McWatters during the course of that discussion that the Government were moving in this direction and that the Provincial Governments were being consulted. This is in pursuance of that suggestion. It was in pursuance of that that the Provincial Governments were consulted and after careful and mature thought the Government have considered that this course may be adopted.

THE HONOURABLE SIR MANECKJI DADABHOY: Thank you.

THE HONOURABLE SIR NARASIMHA SARMA: Without prejudice to the claims of the respective Governments with regard to the distribution of the total revenues—here comes in the relevant portion which has a bearing upon the question at issue—the terms of reference to the Committee are intended to comprise an instruction to institute such an inquiry into the economic conditions of the people as it may consider necessary for the purpose of its report, and in addition the Committee should report on the adequacy of the material already available and should make suggestions as to the best manner in which it may be supplemented and the agency necessary for a wider economic inquiry. Honourable Members will therefore see that this Committee will have all the available statistical information in the possession of the Government or public bodies, will collect fresh information and will institute such inquiries as they may consider necessary for their object, and will thus enable the Government to see how the position stands and where the land lies. They would also indicate to the Government what material is already available whether in the archives of the Central Government, of the Provincial Governments or of local bodies, and they would also report upon what they consider should be a suitable agency for the purpose of a wider economic inquiry such as is contemplated by the Honourable Mr. Sethna. You will have thus the preliminary spade work done. It is possible that a good deal of material would be collected by this body and the material placed at our disposal may not require considerable supplementing. If so, we can proceed straightway to a consideration of the object we have in view. But if it is not so, they will be able to tell us how to proceed, what further material has to be collected who is to collect it, what further steps should be taken and who should be employed, and what the agency is that should be employed for the purpose of instituting the wider inquiry. The Government do not want to shut out the wider inquiry. Some preliminary steps are necessary and I think they have chosen a wise course in doing the spade work in this manner and in proposing to consult Local Governments on the subject of instituting the further inquiry which all of us have in view. I may also state, Sir . . . . .

THE HONOURABLE MR. PHIROZE C. SETHNA: Do I understand that this is a Government of India Committee, or do I understand that at the instance of the Government of India, the different Provincial Governments are requested to appoint such Committees?

THE HONOURABLE SIR NARASIMHA SARMA: This is a Government of India Committee and all the Provincial Governments have agreed to the constitution of such a Committee for the purpose of investigating the matters to which I have referred. They will co-operate with this Committee, and consequently we will have a good deal of material placed before

us on which further progress may be resolved upon and the Committee would also indicate the lines on which further progress may be chalked out.

THE HONOURABLE MR. PHIROZE C. SETHNA: May I ask what will be the constitution of this Government of India Committee—whether purely official, or official and non-official—or what?

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, the intention is that this Committee should consist of experts. We have at the present time various names in view. The idea is that it should be a small Committee consisting of at most four members, of whom one might perhaps be Member and Secretary, so as to reduce the cost. The probability would be that we should get one representative from the United Kingdom, who is an expert in economics and in taxation. I may say that we have been trying for some time to see if we can persuade Sir Josiah Stamp, a well-known and prominent economist, to come out. We are doubtful if it will be possible. Another member would be a senior member of the Indian Civil Service, and then the idea is to get hold of some Indian economist,—we have various names in mind—and an Indian representative of the services who had taken part in economics. He need not necessarily be a Member of the service, but an Indian who is well versed in economic and taxation questions. It is hoped that the inquiry may be started quite shortly and that it would be able to conduct its expert investigation, leading, if necessary, to the further inquiry which is under consideration now, within the course of one year.

1 P.M.

THE HONOURABLE SARDAR JOGENDRA SINGH: Will there be any representative of the agricultural class on it?

THE HONOURABLE SIR BASIL BLACKETT: It will not be an inquiry obviously into the economic conditions of the agriculturist. But it will be to some extent an inquiry into the land revenue system. In the terms of reference that were read out it was carefully stated that it should include the consideration of the land revenue, only in so far as was necessary for a comprehensive survey of existing conditions in regard to taxation. It will not, I think, be quite the sort of Committee on which an expert agriculturist would find his place; it would be more for the expert in land revenue than the expert in agriculture.

THE HONOURABLE LALA SUKHBIR SINHA: May I ask the Honourable Member to state whether it is not possible to extend the scope of this Committee to make those inquiries that are embodied in the Resolution?

THE HONOURABLE SIR BASIL BLACKETT: As already stated by my Honourable Colleague, Sir Narasimha Sarma, the object is that the scope of its inquiries should be limited so that its results may be obtained quickly. If we were to extend it and give a roving commission to the Committee, it would become open to the mischief of the quotation from the Inchcape Committee which my Honourable friend, Sir Maneckji Dadabhoy made just now, that you have a large inquiry with possibly small results. If we have first of all a small inquiry with a limited scope, it will, I think, be the best means of progressing towards that further understanding of the economic condition of the Indian people which the Resolution has in mind.

THE HONOURABLE LALA RAM SARAN DAS: Sir, I rise to support the Resolution . . . .

THE HONOURABLE SIR NARASIMHA SARMA: I have not yet concluded my address . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Sir Narasimha Sarma resumed his seat and it was not an unreasonable conclusion that he had concluded his address. Would he now proceed?

THE HONOURABLE SIR BASIL BLACKETT: On a point of order, Sir, I hope that I am not precluded from making another speech.

THE HONOURABLE THE PRESIDENT: That is so; I take it that Sir Basil Blackett was merely answering inquiries addressed to him.

THE HONOURABLE MR. PHIROZE C. SETHNA: May I make one more inquiry, Sir?

THE HONOURABLE THE PRESIDENT: If the Honourable Member is inclined to submit to cross-examination, I should certainly have no objection.

THE HONOURABLE MR. PHIROZE C. SETHNA: I do not think he minds it. I understand that one of the Committee will be a Member-Secretary. In that case, Sir Josiah Stamp, who is a retired official, and the Indian Service Member and the Member-Secretary will all be officials; and I hope the fourth will be a non-official Indian economic expert.

THE HONOURABLE SIR BASIL BLACKETT: May I just say this, Sir? I hope I have not led the House to believe that Sir Josiah Stamp is likely to accept Membership of the Committee. I am afraid that it is extremely unlikely that we will get him to accept the post. As regards the other point, I may at once assure my Honourable friend, Mr. Sethna, that it is certainly the intention that at least one member of the Committee should not be an official; and as regards the Member-Secretary, who would presumably have a vote, he need not necessarily be an official.

THE HONOURABLE SIR NARASIMHA SARMA: I think after the explanation that has been given by the Honourable Sir Basil Blackett it must be clear that this inquiry, which is expected to conclude its labours within as short a time as possible, would be of considerable use for the inquiry into the wider aspect of the Indian economic position which all of us wish to see adequately and properly handled, so that the country may have the materials upon which they can proceed in the solution of the various problems confronting them and with the aid of which they can trace the progress of the country from decade to decade in various branches—agricultural, mining, industries, commerce and so on, upon which the prosperity of the country so largely depends. There are two ways—one is the simple method of arriving at the average income in the manner I have stated. We may take a census of agricultural produce, as far as it may be available, multiply it by the various prices and then divide the result by the population. Similarly, the wealth that is produced by the various manufacturers, coal companies and so on, may be added up, and divided by the total number of the population and we arrive at a rough idea as to what the average income is. There may be a more elaborate way of judging as to the true economic condition of the country; but that process must be a very slow process involving an investigation in which a very large number of competent and enthusiastic inquirers would have to be engaged, if any useful purpose is to be achieved. The conditions prevailing in the various districts in the provinces, in the various *talugs*, and even different parts of the same *taluq*, are so diverse that conclusions

arrived at with regard to one province, as has been brought out by the Honourable Sardar Jogendra Singh, would be illusory and would even be misconceived and it would sometimes be fatal if it were attempted to apply them to another part of the country. Therefore, a good deal of material would have to be collected with regard to the villages, with regard to *taluqs* and districts. A large part of it already exists in the various settlement reports where the *rayatwari* system prevails. It may have to be supplemented and brought up to date; further inquiries would have to be instituted. I know that in Madras several students of economics have been undertaking elaborate inquiries into the incomes of typical families in various villages, some rural, some urban, some midway between the urban and rural areas. What the Government of India propose to do is to ask the Local Governments if they could collect, as far as may be practicable, and as rapidly as possible, such material as would enable us to facilitate our undertaking the further inquiry asked for. We shall have to address the Local Governments, because nothing can be done in this direction without their co-operation. A word here of the position under the Reform Scheme will, I think, be useful. It was because of the conviction that the Indian people would be able to take care of their own prosperity much more speedily, readily and satisfactorily than a purely official agency can do that the various nation-building departments have been handed over to Ministers. Agriculture and Industries are Provincial Transferred Subjects. The Government of India does not retain any control in respect of them except for certain specified purposes mentioned in the Devolution Rules, which have no bearing upon the present subject. Honourable Members will therefore realise that, if there is really any strong feeling in the country and in the Provincial Legislatures, they ought to be able to take steps for the purpose of persuading the various Local Governments to undertake inquiries which would facilitate the work of an all-India Committee in arriving at conclusions after collaborating the material collected in the various provinces, and I think that would be the really wise and useful plan that we ought to adopt. A number of local Committees could be started and valuable material could be collected by them; all this can only be done with the co-operation of the Ministers and Provincial Governments, and therefore the only solution open to the Government, the only manner in which they can proceed, is to ask the Local Governments if they are willing to co-operate with the Central Government in this highly useful and meritorious task. Whether the majority of the members of any Committee which may be appointed should be non-officials or whether they should be officials is a matter which must be left wholly to the Ministers in charge of the subject. It would not be wise or proper for us to dictate to them as to what they ought to do and what they ought not to do. The Government of India undertake to represent to the Local Governments the keen desire that is manifested in this House, that steps should be forthwith taken for the purpose of undertaking an inquiry of this description. The Local Governments will be asked if they can usefully co-operate and in what manner they can co-operate and how usefully they can collect the necessary materials. When these preliminary steps are taken, and when the materials which are collected by the proposed Taxation Inquiry Committee are also before us, I think we should be able to go ahead with our task. I do not think it is necessary for me to go into any elaborate criticisms of the statements made as regards the economic condition of the masses and the agricultural classes. Government have done what they could and are doing what they can. I have during previous discussions

[Sir Narasimha Sarma.]

stated that during the last twenty years they have been able to open up to irrigation another twenty million acres. The various Provincial Governments have under their consideration various schemes such as the Metur Project, the Kistna, the Indus and a number of other useful projects, and the Government of India would be very happy to place facilities for obtaining funds provided they can be shown to be economically useful. That is all the assistance which the Government of India can render in this matter. The Government of India have undertaken research, and a good deal can be done only by means of research. I myself have been very ethusiastic about my pet schemes for preventing waste by way of enlarging the entomological, mycological and other research and activities but unfortunately stringent economic conditions have stood in my way. I am not going to disguise from this House my anxiety as Revenue Member with regard to the food position and the distressing poverty prevailing among certain classes of people. After all, at the present moment we have only a little over an acre of cultivated land per head of the population, and this acre must be cultivated with all the help which science can give in order that we may improve materially the existing conditions. We shall have to impress upon the people that it is quality that counts in this world and especially in India, and the attention of the people would have to be concentrated upon quality and not so much upon quantity and numbers. The problem of increasing population is a very serious problem. All possible endeavours should be made to cope with the increasing population by means of employing scientific processes for increasing the yield of crops, and by placing irrigation facilities at the disposal of the cultivator, but still there is a limit, and I hope the public will realise that there is a limit. The future is entirely in the hands of the people themselves. As I have said, Agriculture and Industries have been handed over to them, and I trust that there will be sufficient enthusiasm to take up the task in right earnest and to help the Central and Provincial Governments in their endeavours to improve the condition of the vast masses of this land. If the Honourable Member wishes to press for a Resolution on this subject after the undertaking I have given, I shall have no objection to the alternative proposition which has been moved by the Honourable Sir Maneckji Dadabhoy.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, my esteemed friend the Honourable Mr. Sethna has moved his Resolution in such a comprehensive and able manner that he has not left much for me to say. I consider the detailed inquiry such as the one suggested by my friend a very essential one. As far as I could understand the Honourable Sir Narasimha Sarma, the inquiry which the Government of India propose to make is to see how far land revenue can be enhanced and how far . . . . .

THE HONOURABLE SIR NARASIMHA SARMA: No, Sir, I never said that. I did not say that is the object. That is not in the mind of the Government of India at all.

THE HONOURABLE LALA RAM SARAN DAS: But that is what I gathered. I may be wrong, Sir; but that I concluded was the principal object. The Honourable Sardar Jogendra Singh said that there should be equality of taxation among all classes and that certain commercial people pay a much smaller amount than the landed classes. The result of such an

inquiry as is proposed by the Honourable Mover will show to us how far the commercial classes bear this burden. The reason why I support this Resolution is that I find in the Punjab the prices of foodstuffs have risen much more than the wages during the last 25 years; disease has increased and epidemics have become more frequent, with the result that the death rate has increased and the birth rate has declined, which of course is due mainly to the deterioration in the physique of the people mostly on account of underfeeding. The population in the Punjab is stunted. We find that in the Punjab in the years 1881 to 1891, the increase in population was 1,713,092, which means an increase of 10 per cent. From 1891 to 1901 the figure declined to 12,90,025 which means a decrease of 7 per cent. in the years 1900—1911 there was a decrease of 3,63,654, which means a decrease of 2 per cent. In the years 1911 to 1921 there was an increase of 11,06,045, which means an increase of 5½ per cent. All these figures point to the fact that the rate of growth of population has become less and less every year notwithstanding the growth of huge irrigation works and that poverty is on the increase. In the cities we find that a number of people—and their number is increasing—cannot afford to pay even a very small rent and they have therefore to sleep in the bazars and lanes. Some of them cannot have even one meal a day. The original inquiry seems to me very essential because the stage has now been reached as to how far the people of India can go on bearing increased taxation. In case the Government of India is unable to accept the Resolution of the Honourable Mover, I would request them kindly to broaden the scope of their inquiry and to agree to the inclusion of more non-officials in the Inquiry Committee which is proposed.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I would content myself with making a few observations on the announcement that has just been made by the Honourable Sir Narasimha Sarma and the Honourable Sir Basil Blackett. Sir, time was when a large number of Indian public men thought that the best way of having a cure to their ills was to get a Committee or a Commission, as the case might be, appointed by the Government of India. This feeling was at its highest, not among public men but perhaps among officials, in the time of Lord Curzon, whose Viceroyalty proved most prolific in the appointment of Committees and Commissions. We find that, in spite of the Reformed Councils having come into being, some of us have not altogether been able to get rid of this idea. A reference to the Retrenchment Committee's Report would show that during the last five or six years no less than 46 Commissions and Committees were appointed by the Government of India on their own responsibility and 19 such Committees and Commissions were appointed by the Government of India at the instance of the Legislature. This, Sir, makes a formidable total of 65 for the past 5 or 6 years. (*The Honourable Sir Maneckji Dadabhoy*: "10 years"). I have nothing to say against the announcement made by the official Benches this morning, but in all seriousness I would remind the Government that, if it pleases the Government to appoint any Committee or any Commission, then they should also take care that, after the Reports of such Committees and Commissions are submitted, they should not be consigned to the musty shelves of the Secretariat. After their publication, if that stage comes, the Government should no longer lull themselves into a sense of false security by asking the people to believe that, because certain inquiries have been held, therefore those inquiries themselves ought

[Saiyid Raza Ali.]

to be sufficient to satisfy the people. Only this morning a question was put by my Honourable friend, Lala Ram Saran Das, asking for the publication of the Frontier Committee's Report. Now, as Honourable Members are aware, it is a matter of record on the annals of this Council that the Report of that Committee was submitted more than a year ago and yet it has not seen the light of day. Another Commission, Sir, I will not call it a roving Commission, because it is a Royal Commission and I have the highest respect for all it is engaged in doing—but another Commission that undoubtedly was inflicted on this country was the Royal Commission on Public Services. We all hope that the result of the Commission's Report will be productive of some substantial good not only to the Services but both to the people and the Services. All the same, the fact remains that that Commission in particular was not wanted by anybody and yet it was appointed. Here is a case in which an announcement has been made by two Honourable Members who represent important Government Departments. My only request is, Sir, that the Government either should not take this decisive step—I hope it is yet possible for Government to retrace this step—or, if they deem it necessary to appoint such a Committee as has been announced, they should take good care to see that the Committee appointed should in the first instance inspire public confidence. It is hardly necessary for me, Sir, to point out that a Committee constituted on the lines foreshadowed by the Honourable Member will be the last thing which will inspire confidence in this country. Does the Honourable Member seriously suppose that a Committee consisting of three official members with one non-official, who I believe will be an expert, as pointed out by the Honourable Sir Basil Blackett, is going to produce a sense of contentment in the country? Would it not be open to the charge that the Government had ignored public opinion that they had given a mandate to the Committee, the official element on which would be in the majority, and would not much of the usefulness of the recommendations of that Committee be thereby lost? I seriously urge this point for the earnest consideration of my Honourable friends. Secondly, let there remain no doubt on the subject that this Committee, if it is going to be appointed, shall enter on its duties without delay, without any procrastination, and when its report is submitted, it shall not only be referred to the Government of India and the Secretary of State, but it shall also be placed before the public without any undue delay; and, lastly, action shall be taken on the report by the Government in consonance with public feeling on the subject in this country.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, I rise to support the original proposition as put forward by my Honourable friend, Mr. Sethna. There has been an amendment moved and also a proposition from the Treasury Bench, as we should call it, but I am rather sceptical about the utility of either the amendment or the proposition coming from the Treasury Bench. It is like this. There is to be a Committee of experts. Experts to determine what? I do not see that there is any need for an expert Committee here. They have got to find out the condition of the agriculturists and people who live here. What is an expert wanted for? Does he see more than we do? Has he got any important information which we do not possess? First of all, I do not understand that expert proposition. The next thing is that that inquiry seeks, I think, to divert the end which the main proposition has in view. The main proposition is to have a sort of plain inquiry made by

plain people to arrive at plain conclusions. I have been hearing from my Colleagues that the income was Rs. 20, then it was Rs. 27 then it rose to Rs. 31, and so it goes on increasing and increasing. I don't understand these figures, I cannot go through the forest of figures which they annually present to us. It is done in a peculiar way and so much has to be deducted. I want a plain answer and I like to know what the income of an average Indian to-day is. It has been said that averages are fallacious. I quite agree they are fallacious. But where experts differ,—some of these estimates were prepared by the officers and others were made by non-economists and they all differ—if doctors disagree, who is going to decide about it? I do not understand first of all this proposition of an expert coming out from England—for what? —to determine my condition here To know how I stand you want an expert from England. India must be very poor in its intellect if she cannot get on without an expert from England for this purpose. Another thing which I do not understand is why an expert is wanted. Why is this expert committee wanted? What are they to do? There are a great many figures which I do not understand and they will make them more unintelligible to me. I cannot get through the figures as they come out. They will add a forest of figures to them. What am I to do with them? I want a very plain answer. I want to know what the average income of an average Indian is. That is very easy, and that cannot be determined, notwithstanding the fact that investigations have been made, as my Honourable friend showed, for the last 40 years. Here there are two motions. The amendment is not before me, so I do not quite understand it.

THE HONOURABLE SAIYID RAZA ALI: It is before you.

THE HONOURABLE MR. G. S. KHAPARDE: I understand the original proposition. It is very plain. It is very easy to understand and I should like that we should go on with the main proposition and pass it. If the Government of India, by making preliminary inquiries, facilitate the real object of the Resolution, so much the better. I like it. But I do not want that to be substituted for the main object of this proposition. This question has been troubling us a great deal and I want a plain answer and I want to have it from plain people, not people who will go into mining and aeroplane and other things to determine the average income of an Indian. I cannot understand it. This country is largely agricultural. It is getting to be industrial but in a very small way owing to certain difficulties which I need not dwell upon just now. The main business and the main industry of India is agriculture. I like to know how the agriculturist is getting on. He complains that he is getting poorer every day. The Governor of Bombay said that he was becoming more and more prosperous. I am a small landholder in a small way and I do not know where the prosperity came in. He said that there was prosperity because telegrams produce so much. Telegrams may have produced so much. I do not know what they have got to do with the agriculturist. When you give a large number of figures, to me they appear to have no bearing on the question of poverty at all. I prefer the original proposition. That is plain and clear and easy to understand, and I hope Honourable Members will vote for the original proposition and neither for the amendment nor for the substitution which my Honourable friend Sir Narasimha Sarma has put forward.

THE HONOURABLE SIR ARTHUR FROOM (Bombay: Chamber of Commerce): Sir, we are all very thankful to the Honourable Mr. Sethna for introducing this interesting discussion. But I am afraid that I cannot

[Sir Arthur Froom.]

agree with his Resolution as it stands. I think that Mr. Sethna's suggestion of arriving at an average income defeats the object which he has in view. It appears very obvious that in getting at the average, you have reduced the income of the richer men—possibly that does not matter very much—but you also increase the income of the poor man which distinctly does matter, and I say with that happening, the Honourable Mr. Sethna defeats the object, which he has in view, of bringing before the public the very small income which some of these agriculturists have.

Next we come to the question of Committees. There are four of them I think, travelling about the country at the present time. There seems to be a mania for Committees. I am on one of them. I hardly think that there should be another now. I think that the suggestion of the Honourable Member for Education, Health and Lands that he should call on Provincial Governments to report is a good one. The Provincial Governments have the machinery at their disposal. The District Officers, the Collectors, can provide reports which will present the true aspect of the country as regards agricultural labour without sending an expensive Committee to tour the country to obtain information which can so readily be supplied.

Just one other point, Sir. I do not think my Honourable friend, Mr. Khaparde, fully realised what the Honourable the Finance Member had explained to the Chamber with regard to the expert Committee to which he made reference. I do not think the Honourable Sir Basil Blackett intended Members of this Council to understand that he proposed to bring out experts from England to calculate the average income of agriculturists. I understood the Honourable the Finance Member to say that he anticipated that the report of this Committee, which is going to make some special inquiries in this country, would have some very close bearing on this very vital question of the agriculturists in this country, but there was no suggestion that this special expert Committee would go into all the details of the agriculturists' lives. I am afraid I cannot support the Resolution as put forward by my Honourable friend, Mr. Sethna. I prefer the substituted Resolution of the Honourable Sir Maneckji Dadabhoy.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, the announcement that has been made this morning by my Honourable Colleague in regard to the Taxation Committee is only partly relevant, I think, to this debate, and there is some danger that the two subjects may get unduly intermingled. The proposal to appoint a Committee to inquire into taxation is one which has been pressed on the Government from a good many quarters for more than a year. As long ago as last July, the announcement was made in this House that the Government were in communication with the Local Governments with a view to the appointment of some such Committee. The announcement that has been made to-day represents the result of those negotiations. Unanimous agreement has been arrived at between the Government of India and the Provincial Governments in regard to the appointment of a small Committee of experts to examine the manner in which the burden of taxation is distributed at present between the different classes of the population, and, going on from that, to make proposals with a view to improve what I think we must all acknowledge to be at present our slightly amateur system of taxation. It is a system which has grown up by stages and which has been very much cut about by the introduction of the Reforms, which has given certain heads of taxation to the

provinces and left certain heads to the Central Government. We believe it could be very distinctly improved so that the same amount of revenue for the purposes of Government expenditure could be raised with less cost to the people. It is with a view to that that the Taxation Inquiry Committee is being appointed. But just at the moment when this taxation inquiry had reached this stage, the Government of India found themselves faced with this very interesting Resolution of my Honourable friend, Mr. Sethna. It is obvious that up to a point the taxation inquiry would improve the material available for the purpose of this larger economic inquiry, and it is in so far as it will do so that it is relevant. It is also relevant inasmuch as, regard being had to the desirability later on of this broader inquiry which the Resolution proposes, it will be an instruction to the Committee that they should pay particular attention to examining the statistics that are at present available and to the possibility of improving the statistics and the agencies through which such statistics should be obtained with a view to helping in the inquiry which this Resolution desires. I was unfortunately prevented by my duties in another place from hearing the very interesting speech of the Honourable Mover; but he had the very great courtesy to send me an advance copy of the remarks that he was going to make and, though I missed the magic of the human voice, I was at any rate able to read what he said. As I came into the House, the debate on his Resolution was just beginning and my Honourable and gallant friend, Sir Umar Hayat Khan, was giving utterance to these words: "If a man is born in this country he has the right to live." That set me thinking. We are discussing a very interesting and difficult subject. Is India rich or poor? That is a very very difficult question to answer; it depends mainly on the angle from which you approach it. But it strikes me as a remarkable and significant fact that India has got twice the population that she had 75 years ago; India manages to support them on a probably slightly higher average standard of living and is therefore, in a sense at least, twice as rich as she was 75 years ago. That, however, does not take us very far. What we want to do is to raise the subsistence level of the population. Possibly that may be done, not by an increase in the quantity of the population, but by an improvement in the quality of the life that they live. It is very difficult to go deeper into this question without raising controversial points, and I do not think that it is necessary at this stage that I should attempt to follow in the foot-steps of the distinguished orators who have stated with great emphasis, either that India is the richest country in the world or that she is the poorest. The potential richness of India is obviously very great. The existing poverty of a large number of the people is obviously also very great, and no Government can with equanimity look on and not wish that they could do something to improve it. Whether they can do so is a question the answer to which I often doubt. Reference has been made to Baby Week. I believe that it is something more human than Government intervention that is going to improve conditions in India and get rid of some of the troublesome poverty which we see round us. What is wanted is of course that the people should desire a higher standard of living and that, desiring it, they should have conditions which enable them to improve their standards of living. The nation-building departments—I must say I continually dislike hearing that phrase, but it is the best one that I know—are the ones to which we must look if we look to Government action at all, and they are of course largely provincial; but it is also to agencies outside the Government, to those who promote such useful organisations as co-operative societies among the agriculturists, to institutions that I hope will become

[Sir Basil Blackett.]

annual like the Baby Week, and so on, that we must look to teach the people that there is a higher standard than that which they live at present and lead them to desire that standard, to give them the education that will make them wish to have that standard, and I do think that by these means we may get away from this continual difficulty which really keeps India poor, namely, that she continually lives up to the level of subsistence. Poverty is the natural result of continual pressure on the level of subsistence. The Honourable Mr. Khaparde made a very amusing speech, but I think the Honourable Sir Arthur Froom has explained to him—and I have tried to do so—just how far the question of the expert Committee is relevant to the Resolution before the House. The words " average annual income per head of the population " seemed to Mr. Khaparde to be a very plain question which could be answered by plain people. Now, who is the average Indian and what is his money income? Supposing that an average Indian lives in Bombay city and has an income of X rupees; and somebody, an agricultural labourer in Madras gets also the same income, X rupees. Have they both got the same income? In money value, yes; but possibly one is quite comparatively rich and the man in Bombay is very poor indeed, because the value his income will purchase in Bombay is, I daresay, not half or less than half of what a similar money income in certain parts of Madras can bring in. When you realise that sort of difficulty, how can you hope to arrive at a plain answer to a plain question? The real answer is that you cannot answer that question in terms of money. It is not answerable in terms of money, and that makes all the difficulty of it. I am always very suspicious of statistics about the capital wealth of a country, or the annual wealth of a country or the annual income per head. I remember telling one distinguished speaker who had been giving us some such figures that he never made a mistake of more than two or three billions—which is enough, but does not matter, when you are talking about the total capital wealth of humanity. I remember again that when I was looking into the question, just after the war, of somebody's estimate of the capital wealth and the average annual income per head of the people of the United Kingdom, I discovered that certain statistics taken before the war had, rightly, included as part of the capital wealth of the country the national debt of the country. As a matter of fact it is very difficult not to when you start making these statistics. The national debt of the United Kingdom before the war was about £700 millions; after the war, excluding the foreign debt, it is something under £7,000 millions. Has the capital of the country gone up by this £6,300 millions because of the war? When you get into statistics, it is extremely difficult to avoid making statements of that sort. Therefore, while having full sympathy with the Resolution as originally drafted, I really, especially after the Honourable Mr. Khaparde's speech, should be afraid to commit myself to any Resolution which recommends sending anybody to get this plain answer to this plain question.

As my Honourable Colleague has already spoken, it is hardly necessary for me to say more after his ample explanation. The Government are in sympathy with the Resolution and they will be very glad to inquire through the Local Governments exactly as to the form in which further inquiry into these subjects should be made. They will meanwhile, we hope, be going on with the expert Committee on Taxation and thus be able to arrive at some means of meeting the object of this Resolution, which is to raise the average economic level of the masses of the people. It will, I think, be difficult, and probably undesirable, to make any alteration in

the terms of reference of the Taxation Committee, because it is the result of careful drafting in consultation with all the Provincial Governments; but that Committee will conduct its investigations in the light of this discussion, and it will certainly be the Government's duty to see that the views expressed on all sides of this House are carefully considered by that Committee in so far as their inquiry touches this question.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, I would strongly recommend this House, after the very lucid explanation given by the Honourable the Revenue Member as well as the Finance Member with whom I agree entirely, that it would do well at this stage to accept the substituted proposition. I have been a very close student of the subject of Indian poverty ever since Dadabhoy Naoroji brought it forward for the first time to the notice of the Secretary of State, in 1870. So that I may say without egoism that I have been a close student of this subject for nearly half a century. During this period very many different questions have arisen, and many inquiries have been made, but they have produced no tangible result as far as a fairly reliable estimate is concerned. I consider, Sir, this is the first time in the history of this vexed question that the Government are welcoming it openly. They are willing to meet in a practical manner the proposals made by my Honourable friend, Mr. Sethna, in his very interesting speech. In no Indian Legislative Assembly before has such a question been so ably raised and discussed as it has been at present, not even by Mr. Gokhale in the old Imperial Legislative Council. Therefore, here is the first opportunity offered for all my countrymen to learn with real accuracy the point at issue and how it can be practically tackled. Both the Honourable Sir Basil Blackett and the Honourable Sir Narasimha Sarma have pointed out the way in which this question can be authoritatively investigated. I believe, Sir, having read voluminously on the subject, that it is the only way in which the problem can be tackled. My friend, Mr. Khaparde, thinks it is a very plain question and can be plainly answered. He is a plain man and says he wants a plain answer to a plain question. He has not given any attention whatever I am afraid, as to how this question can be authoritatively handled. There are very many difficulties in the way; there are many complexities. It is a question which cannot be considered and discussed by a single individual summarily. Most valuable time and the most scientific consideration must be given to it. This can be done only by competent experts. There is not the slightest doubt about it. I may tell the House that questions of this kind have been discussed by experts only all over the world say, Italy, France, Germany, Belgium, and so on. I will give the House only one most brilliant instance of what such a go-ahead country as the United States has accomplished. There a census of the national income and also the income per head of the population was taken as recently as in 1918, that is, after the War. It was one of the most authoritative inquiries that has been made by a body of the highest scientific experts, and took about 3 or 3½ years for completion. Three bulky volumes have been published which any one can read if he has the time to carefully wade through them. I am quite satisfied with the mode of inquiry proposed by Government. I think Members of this House would do well were they to follow the plan suggested by my Honourable friend Sir Narasimha Sarma and so ably supported by the Honourable Sir Basil Blackett. It is the only way you can do it, and I exhort all my countrymen here as also outside this House that they would do well to accept this proposal, because in a year's time, you will be able to get to the bottom and perhaps set at rest for a long

[Sir Dinshaw Wacha.]

time to come this question of Indian poverty. Nobody has been able to say what is the extent of that poverty, what is the real income of the country and what of poorer classes. We have got 9 provinces in India. These provinces have a diversity of populations, their respective trades and industries are different, their economic and social environments, their standard of living, and so forth, are all different in different provinces and districts. How are we going to have an average income under such conditions unless, of course, each province supplies its own reliable statistics, from which alone the Government of India could boil down the facts to a common denominator and bring out a volume of real substantial facts, on which you can rely and base your conclusions, as to how far the country is prospering? As I said before, I have been a very close student of this subject of Indian poverty for half a century, and I can confidently say that this is the most practical method by which the problem can be fairly solved. I hope, Sir, that the time of this House under the circumstances will not be wasted further, but that my Colleagues will readily accept the substituted proposition of our friend the Honourable Sir Narasimha Sarma.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): Sir, so far as I can understand the position, the Committee of experts which the Government of India are appointing will not serve the purpose of this Resolution. It is comprised of two parts, the first is to find out the average income per head of the population in this country and the second is to find out means and ways to improve the income per head in this country. This Committee of experts will deal only with taxation, its assessment and collection and not with the question of developing the resources of the country or of ascertaining the average income from other sources. Therefore, I beg to submit that the proposed Committee will not serve the purpose which the Resolution before the House seeks. The Resolution as it stands is very useful and is of vital importance. Up to this time we do not know what is the income per head in this country. When we look to the facts and figures given by private persons, we find that the income per head is far too low; it is much lower than other countries; it is only £2 per head, when we see that in other countries the income is £42 or £48 per head. When we have so many resources in this country as regards land, irrigation and labour, I cannot understand why the average income should not be equal to that of other countries. There must be some reasons for that, and the Resolution before the House seeks that an inquiry should be made to find out the reasons as to why the income per head is very low in this country and what measures should be adopted by the Government and by the people to increase and develop the resources of this country. Therefore, Sir, I submit that the Committee which the Government contemplate to appoint will not serve the purpose, and the amendment put forward by my Honourable friend Sir Maneckji Dadabhoy will delay matters. (*A Voice*: "It will accelerate matters"). If the question were left in the hands of the Local Governments, it is possible some may differ. Now the point is this, that the Government of India should appoint an all-India Committee on this subject. The subject is an all-India one. We want to know the income per head in the whole of India and not of any particular province. There may be differences in this matter in the provinces, but we want to find out the average per head of the whole country and we want to know the means of developing and improving the resources of the country. If you permit me, Sir, I may say that the produce per acre in this country is going down

though there are abundant facilities. There are many Agricultural Departments, but I may tell this House, with much regret, that the produce per acre in this country is going down instead of going up. There must be reasons for that state of affairs. There may be reasons of settlement policy, of land tenancy, of occupancy rights and so on; but there are some reasons, and if the proposed inquiry is accepted, we shall be in a position to find out what steps to take. Therefore, Sir, I give my unqualified support to the original proposition of my Honourable friend Mr. Sethna.

The Council then adjourned for Lunch till Three of the Clock.

The Council re-assembled after Lunch at Three of the Clock, the Honourable the President in the Chair.

THE HONOURABLE MAULVI ABDUL KARIM (East Bengal: Muhammadan): Sir, I beg to draw the attention of the House to one particular point, and that is, the increase of criminality in the country as a consequence of poverty. The Honourable Lala Ram Saran Das has said that the health of the people has deteriorated and disease has increased in the country as a consequence of increased poverty. I should think that crime in the country has also increased and that is due to the increase of poverty. In our younger days we hardly ever heard of any dacoities being committed, but now-a-days scarcely a day passes when we do not hear of a dacoity being committed somewhere. Necessity knows no law, and I think that it is because people have no means of livelihood that they are driven to very questionable means of gaining their livelihood. I come from a part of the country which is mostly agricultural, perhaps more agricultural than any other part of India, I mean East Bengal. There is an impression gaining ground that poverty is increasing every day, and, rightly or wrongly the people think that something ought to be done to get out of the situation. It is said that the masses are now-a-days being exploited by political agitators, but I do not think that they are such great fools as to be exploited in that way unless they are in great difficulties, which they want to get out of. I believe it would be suicidal to ignore the situation in the country, that poverty is increasing and people are being driven to criminality. That is an aspect of the question which should not be lost sight of. Survey or no survey, that is not the question, but unless something is done and done very quickly, in order to relieve the situation, I am afraid things will come to a pass when it will be very difficult for the people as well as for the Government to control the situation. I therefore have no hesitation in very strongly supporting the Resolution asking for an inquiry into the condition of the agricultural people in the country, and the sooner it is made the better.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, although we have a non-official majority in this House, yet it so happens that, if a non-official Mover of a Resolution has not the support of Government, it is very doubtful if he can get his Resolution passed. Therefore, non-official Movers of Resolutions have often to be content with compromises suggested by Government, with half a loaf which is better than no bread. If I decide to accept the Honourable Sir Narasimha Sarma's amendment, as moved by my friend the Honourable Sir Maneckji Dadabhoy, it will not be because I think that in this case they have given us half a loaf. I believe

[Mr. Phiroze C. Sethna.]

what they have offered us is more than half a loaf. The Honourable Member for Education, Health and Lands desires that my Resolution be so altered that the recommendation to the Governor General in Council be that the Local Governments may be consulted with regard to the desirability of undertaking an inquiry into the general economic condition of British India and whether they are prepared to support the proposal for the appointment of a Committee and to co-operate in its labours if appointed. Ordinarily I should rather have seen my Resolution defeated than accept this amendment, but the announcement which the Honourable the Member for Education, Health and Lands has made and which has been referred to at some length also by the Finance Member in reference to the Committee which Government propose to appoint alters the case very considerably. This Committee is, I take it, an elaboration of the idea which was mooted, I suppose, as my Honourable friend Sir Maneckji Dadabhoy remarked, by himself or proposed by the Honourable the Finance Member at the last Simla session at which, unfortunately, I was not present that the taxable capacity of Indians be found out. I take it, Sir, that this is an elaboration of that idea.

In regard to this committee, I am sorry that it is not officially before the House so that I could formally move an amendment. But what I want to point out in regard to it is this—that it reminds me of the Indian proverb which says *Lene gai put, kho ai khasam*, which translated into English means that a woman, who went on a pilgrimage to a shrine and begged of the saint that she might get a son, was blessed with a son but she lost her husband and returned as a widow. The application of that story to this Committee is this. We think that this Committee will investigate to a certain extent the economic condition of the masses, as I have asked for in my Resolution, but the man in the street I do not think is likely to take that view. He will believe that, like the lady who returned a widow, the result of this inquiry will mean heavier taxation in the country. That, Sir, will be the common belief, and it was therefore with the idea of removing that impression that I privately requested the Honourable the Finance Member this morning to include in addition to the six references to the Committee which were read out this morning, a seventh reference and that this seventh reference be the sum and substance of my Resolution. The Honourable the Finance Member explained to me his difficulty and, as he told the House this draft of the references to the Committee has been prepared after much trouble and I take it after many *pourparlers* with the different Local Governments, it was therefore not possible for him to agree to my suggestion at this late stage without reference to them. I, however, requested him to give me and the House an assurance that he will convey the wishes of the House to the different Local Governments and, as the Honourable Members will remember, Sir Basil Blackett said that he would convey to the different Provincial Governments the views expressed by this Council, so that the Committee will work on the lines of the arguments which have been advanced, for and against, in this House on this Resolution. That being so I consider that the appointment of this committee is the thin end of the wedge to get my Resolution accepted at a later date by Government.

There is one other point and that is in regard to the personnel of the Committee about which also I have had a discussion with the Honourable the Finance Member, and I regret that both he and the Revenue Member are not in their seats just now. One interpretation which the country at

large is apt to put upon this Committee is the interpretation referred to by my Honourable friend Saiyid Raza Ali. Sir Basil Blackett said that the Committee will consist of four, including the Member-Secretary and he said there will be the Chairman, who will preferably be a Government official from Home. He named Sir Josiah Stamp as an authority on the subject, who might or might not come out. If he does not, I suppose it is his intention to get some other official from Home as Chairman. The second Member will be a senior European Indian Civil Servant and in regard to the third, he might be an Indian Civil Servant or an Indian non-official economic expert. As regards the Member-Secretary, he might preferably be an Indian. If, therefore, the Member-Secretary and the non-official Indian expert are both Indians there will be two Indians and two Europeans, and I am sure the proportion of Europeans and Indians on this Committee will find favour with the public at large. But, if the Committee is to consist of only one Indian and three Europeans, no matter however sympathetic they may be they may even be men of the type of the two gentlemen I named this morning, the late Sir William Wedderburn and the late Mr. Allan O. Hume the country will not have confidence in them. I therefore beseech Government to see that there is equality in numbers in the appointment of the Committee. If the Member-Secretary is not an Indian, then I suggest to Sir Basil Blackett that an extra Indian be appointed. Sir Basil Blackett has given me no positive assurance but only hopes. I was anxious to get an assurance to that effect in his absence from the Honourable the Member for Education, Health and Lands, were he present. They are unfortunately not in their seats, but I trust that my appeal will not be in vain, and I make that suggestion both in the interests of Government and in the interests of the public at large.

It has been suggested that investigations of the kind made in my proposal be undertaken by the different provinces. I am sure Honourable Members are aware and Members of the Government are aware that a similar undertaking is already in hand in the Presidency from which I hail. Mr. Findlay Shirras, who is Director of Statistics, is at the present moment busy, I understand, with the preparation of a work on the lines of the book which has been prepared by Sir Josiah Stamp dealing with the taxable capacity of the people in the United Kingdom. I hope I am revealing no secret when I say that Mr. Shirras estimates that in the Bombay Presidency the taxable capacity will be Rs. 116 per head of population.

Having said this much in regard to the appointment of the Government of India Committee, I will say a word or two in regard to the remarks that fell from my Honourable friend the Member for Education, Health and Lands. He does not seem to believe in figures. He considers them fallacious and I believe Sir Basil Blackett did so to an extent. I wonder which civilised Government there is to-day which does not rely on statistics of the kind which I have advocated in my Resolution. Both these gentlemen may not have read a paper prepared by their former Colleague, a friend of almost all of us in this House, I mean Sir William Vincent, who as recently as on the 11th December read a paper in London before the Royal Colonial Institute, a very valuable paper indeed, which I will commend to the attention of any one who has not yet read it, for it gives an epitome in as short a compass as possible of all the advantages that British rule has conferred on India. That paper is full of statistics. So it is gratifying to find that at least Sir William Vincent, who until a little more than a year ago was the Home Member of the Government of India, does believe in figures and statistics. For example, Sir Basil Blackett

[Mr. Phiroze C. Sethna.]

referred to the increasing population in India. Here is what Sir William Vincent says in regard thereto:—

"There are no figures, but the population has been estimated to have been 100 millions in Akbar's reign. In 1865 it was about 150 millions, and we know that in 1871, allowing for minor errors, it was 185 millions. It is now 319 millions. I want to press this point because I think it is inconsistent with the theory of exploitation, for it is impossible to believe that if the country had been exploited as alleged the population could have increased to this extent."

And my Resolution would have enabled the Committee to prove Sir William's contention.

The Honourable the Member for Education, Health and Lands, whilst not relying much on figures, himself, gave us figures which must have come upon the Council as a surprise as they did upon me. I have not known of any recent inquiries undertaken by the Government of India in regard to the average income of Indians. Sir Narasimha mentioned this morning that, according to the figures that were prepared by the Government of India in 1911, the average annual income per head of the population was Rs. 72. Therefore, it seems that the Government of India themselves do acknowledge the value of these figures. But, I will quote from a Government Blue Book itself to show that they do believe in the necessity of such inquiries. There is in "India in 1922-23," a passage on page 197 which reads:

"But certain Provincial Governments are directing their attention to the collection of statistics, the publication of index numbers and the investigation of family budgets. The work is still almost in its infancy; but its importance is being recognised by the general public, and there is reason to hope that before long it may be taken up upon a larger scale."

which means that Government contemplate an inquiry as I have suggested in my Resolution. If they have such an inquiry by a Committee their own position will be strengthened. I will refer again to the paper read by Sir William Vincent. He says:—

"If we examine first the question of the revenue assessment, we know that in the time of Akbar this demand was one-third of the gross produce of the land, and one of his successors attempted to raise this proportion to one-half."

And a little later he says:

"There has thus been a continual increase in the area cultivated. Let me turn to the revenue assessment, which was a matter carefully investigated by Lord Curzon in 1902, and since reviewed by many other authorities. Well, it was then established that the actual demand for revenue on the land was in some places 4 per cent., and at the most, and that in only one small area, 20 per cent. of the gross produce. You will remember that almost all land assessable for revenue is arable land. MacMinn estimates that the general average at 10 per cent. of the gross outturn, and this does not differ largely from Hunter's estimate that our land revenue is one-third of that in Akbar's reign."

It is the same Sir William Hunter whom I quoted this morning who reckoned in 1881 that "40 millions of the people habitually go through life on insufficient food." These figures given by Sir William Vincent could have been placed by the different Provincial Governments before the Committee and the Committee might have arrived at results which would have disillusioned the Indian public, in regard to growing poverty in India. Unfortunately the Government will not take the opportunity I offer to them. I am sure that the manner in which they propose to deal with the question by the appointment of the Committee referred to by the

Finance Member will eventually result, a year or two hence, in an inquiry on the lines which I suggest in my Resolution. If they had done so now, they would have removed not only hostile criticism in this country but also hostile criticism in Great Britain, criticism of a kind from such a versatile writer as Mr. H. G. Wells, for which criticism I am also indebted to Sir William Vincent's paper wherein it is quoted. This is what Mr. Wells says:—

"The British Empire gives them a certain immunity from warfare, a penny post, and the services of an honest, unsympathetic, narrow-minded and unattractive officialism."

Such criticisms would have been removed if my Resolution had been accepted, but I have not lost heart. I shall await the results of the Government of India Committee and of the Committees in the provinces, and I trust thereafter Government will see their way to continue the inquiry in the manner I have indicated.

A word in regard to the amendment. The amendment which I have read out is certainly very tame, but there again I understand the position of the Government of India is awkward. The Honourable Member for Education, Health and Lands, has explained that he cannot dictate to the different Provincial Governments, he can only prefer a request. And because he is preferring a request and that after considerable correspondence on the subject, he has assured me that he is in a position to say that no single province is going to reply in the negative, and I take it, therefore that every single province will further the intention underlying my Resolution, and the result of that inquiry will eventually help us not only to find the actual average income of the Indian, but that such Committees will recommend measures in their respective provinces to raise the level of the masses in India. With the permission of the House, I desire, therefore, to accept the amendment in place of my Resolution.

THE HONOURABLE THE PRESIDENT: Before I put the questions which are necessary to decide the motions now before the Chamber, I think it my duty—a duty I owe to the House—to draw attention to the fact that, though an important debate was adjourned to a time in the ordinary hours of the Council, after the adjournment, Government is not represented either by the Leader of the House or by the Member in charge of the Resolution. I leave it to the House to judge of the possible interpretation which may be put on this.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, with your permission, may I say that the Honourable Member in charge of the Resolution was called away by business which I think he was unable to avoid and he asked me in his absence, with your permission, to take charge of the Resolution.

THE HONOURABLE THE PRESIDENT: That is not a possible solution at this stage. The Honourable Member, if he had desired to have done so, could have put it forward before the adjournment.

The question is:

"That to the Resolution under consideration the following amendment be made:

'That after the words in the Resolution on the paper 'Governor General in Council' the following words be substituted:—

'*That the Local Governments may be consulted with regard to the desirability of undertaking an inquiry into the general economic conditions of British India and whether they are prepared to support the proposal to appoint a Committee and to co-operate in its labours if appointed.*'"

[The President.]

The Resolution would therefore read, as amended, as follows:

"That this Council recommends to the Governor General in Council *that the Local Governments may be consulted with regard to the desirability of undertaking an inquiry into the general economic conditions of British India and whether they are prepared to support the proposal to appoint a Committee and to co-operate in its labours if appointed.*"

The motion was adopted.

The Council then adjourned till Eleven of the Clock on Tuesday, the 5th February, 1924.

COUNCIL OF STATE.

Tuesday, the 5th February, 1924.

The Council met in the Council Chamber at Metcalfe House at Eleven of the Clock, the Honourable the President in the Chair.

BILL, AS PASSED BY THE LEGISLATIVE ASSEMBLY, LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table a copy of a Bill to amend the Indian Cotton Cess Act, 1923, for certain purposes, which was passed by the Legislative Assembly at its meeting held on the 4th February, 1924.

CRIMINAL TRIBES BILL.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-official): Sir, I beg to move:

"That the Bill to consolidate the law relating to Criminal Tribes be taken into consideration."

As I said when introducing this Bill, it has been before the Statute Law Revision Committee and it has been looked into and carefully examined by that Committee. It is purely a consolidating measure and introduces no change worth mentioning. There is only one small change which has been made, and that is the substitution of the word "who" in place of the word "which". The intention of this was to make the provisions easily workable; that is to say, instead of treating these people as a tribe we wish to deal with them as individuals. That Sir, I take it, is approximating to a higher type of civilization. It is better to regard individuals as units of society rather than the tribe. The change, therefore, softens the provisions of the law and enables us to deal with the individual and take his merits and demerits into consideration and not visit the whole tribe with the sins of one member of it. That, I think, is clearly an improvement. I trust that, as this Bill becomes law, and comes into operation in time to come, it may be possible to soften the provisions still further, till the final goal is reached, when the necessity for these special laws will disappear and it can be withdrawn from the Statute-book altogether, leaving these people to be dealt with under the ordinary laws of the land.

I do not think, Sir, that at this stage I need say more than ask that this Bill be taken into consideration.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): The difficulties with which a measure of consolidation, especially one that seeks to go through a number of Acts, is attended are apparent to all those who have got any experience of this work. The measure

[Saiyid Raza Ali.]

that is before the House is a fairly bulky one, inasmuch as it contains no less than 30 clauses. Along with that, lower down in the agenda, we have another piece of proposed legislation that seems to amend another important set of Acts. Sir, every one who has attempted to go through any portion of any of these two measures must have realized that the Revision Committee, who is responsible for the work of consolidation, has taken great pains in doing their work satisfactorily. It has not been possible for me to go carefully through all the 30 clauses that are before the House and compare them with the original sections of the Acts.

I may, however, make only a passing reference to the other measure that will be before this House shortly, and I can say to those who may imagine that that measure contains only 12 clauses, that it has yet taken me an enormous amount of time to go through the various Acts to which references have been made in it. I need hardly point out, Sir, that the difficulties in a Bill of this character, which cannot possibly be exaggerated, are that we cannot be too careful, while seeking to reproduce the law as it stands, to so arrange the work as not to introduce any real change in the law, unintentionally or unconsciously. That, as Honourable Members are aware, occasionally takes place, that is, you change the law without ever intending or meaning to change it. In view of the difficulties with which a careful revision of this character is attended, I think, Sir, it will be proper if Honourable Members of this House are given more time to enable them to go through this measure. I may also point out that, when Honourable Members propose to go through this measure, they will find that it will not be easy for them to do so; as a matter of fact, it will be very difficult for them to get a set of Acts that are up-to-date There is only one copy in the Library, which is the common library of the Council of State and the Legislative Assembly, and they do not issue their up-to-date set of Acts to Honourable Members. It is only through the courtesy of Mr. Graham, whom I have always found ready to assist Honourable Members in the performance of their duties, that I have been able to get a set of Acts that is up-to-date. This, by the way, is his own office copy that he has lent me. Having regard to all these difficulties, I propose, Sir, that the consideration of this Bill be postponed for a fortnight.

THE HONOURABLE THE PRESIDENT: To the motion under consideration amendment moved—

"That the consideration of the Bill be postponed for a fortnight."

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): To another date,—not less than a fortnight?

THE HONOURABLE SAIYID RAZA ALI: What I mean is this. Unfortunately, I will not be present; I do not want to get a postponement and not be present when the measure comes up.

THE HONOURABLE THE PRESIDENT: Amendment moved:

"That the consideration of the Bill be postponed for not less than a fortnight."

That amendment is now open to discussion.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-official): I wish, Sir, to speak early in this debate, because I have no objection to the Bill being postponed. There is no hurry; it is merely a

consolidation measure, and, if Honourable gentlemen like to have more time to look into it, I like it, because we have taken an immense amount of trouble to put it right. So I have no objection to this proposal of postponement.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, on behalf of Government, I desire to say that we fully appreciate the points raised by my Honourable and learned friend, and in particular his desire to satisfy himself, and I hope the House too, that the labours of the Committee have been well performed. With that object Government have the fullest sympathy, and I have no objection whatsoever to the amendment moved by my Honourable and learned friend.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I do not wish to oppose this amendment. But I must make it clear, so far as I am concerned, that this request of my Honourable friend, though very sound from his own point of view, creates a very dangerous precedent. If Bills are brought before this Council for discussion and postponed for the convenience of individual Members we shall never be able to get through our work. I do not wish to oppose in the present case; but it must be understood that, when Members of Council get Bills in their hands, they must be ready to proceed with them and be prepared to proceed with them. Perhaps the Honourable Saiyid Raza Ali is a more conscientious worker than I am, and he wants to carefully study this Bill and see that there is nothing wrong about it. My personal view is that the present Bill, after all, is a simple Bill which consolidates several measures, and after all, it does not require any deep study or deep consideration. However, I make this statement to-day in order that we may not, this Council may not, be saddled in future with repeated requests for the postponement of debates, as it will hamper public work and waste the time of the Members of this Council.

THE HONOURABLE THE PRESIDENT: The question is—

"That the consideration of the Bill to consolidate the law relating to Criminal Tribes be postponed for not less than a fortnight."

The motion was adopted.

INDIAN TOLLS BILL.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I beg to move:

"That the Bill to consolidate the law relating to Tolls on Public Roads and Bridges be taken into consideration."

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I am very thankful to my Honourable and learned friend for the useful lecture that he delivered to me a couple of minutes ago.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I did not deliver a lecture to my Honourable friend; I addressed the Chair.

THE HONOURABLE SAIYID RAZA ALI: I am very glad, Sir, that the Honourable Member disowns, metaphorically speaking, his own child. Sir . . . . .

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Is not this out of order, because the last Bill has been finished, and the Honourable Saiyid Raza Ali is making a speech on the last Bill, which is not before the House now?

THE HONOURABLE THE PRESIDENT: I think if the Honourable Member will wait, he will probably observe that it is not irrelevant.

THE HONOURABLE SAIYID RAZA ALI: Sir, I agree with a part of the observations made by the Honourable Member, who was indifferent on the question of postponement of the previous measure as he had no criticism to offer on the arrangement. But the difficulties of those who try to work conscientiously are really enormous. Coming to the Bill that has been moved by the Honourable Dr. Mian Sir Muhammad Shafi, I think it will be unfair to the Honourable Member in charge of the Bill if I propose to go through the merits of this measure. Yet, Sir, in spite of the somewhat provoking remarks that an Honourable Member let fall a short time ago, I propose to show, not with a view so much to criticise the draft that is before this House as to indicate that the request for postponement which I propose to make again is perfectly justifiable, that the reasons that were adduced to show that no postponement was necessary were without any force. If Honourable Members . . . .

THE HONOURABLE THE PRESIDENT: I may point out to the Honourable Member that this stage of the Bill is the consideration stage. All that the Council is committing itself to is the principle. If there is a principle in a consolidation Bill, it is consolidation. The Honourable Member cannot enter into a detailed discussion of clauses. I do not know whether the Honourable Member opposes the consolidation. That is the principle we are now asked to affirm.

THE HONOURABLE SAIYID RAZA ALI: I know, Sir, that it is a consolidation Bill. As a matter of fact, I have no objection to our Acts being consolidated, whenever that step is found to be necessary. In the first instance, I must say that I propose to move that the consideration of this Bill should stand over for a couple of weeks. As to the necessity which has led me to make this request, and, with a view to convince Honourable Members that this is a legitimate request, I say that those who care, or those who have found time, to go through this Bill will find that it is by no means impossible to make useful additions and alterations in the Bill as it stands. I do not propose, Sir, to take any portion of this Council's time, yet to my captious critics I propose to make it quite clear that if they would go only through the Statement of Objects and Reasons of the Bill they would find that towards the end it is stated:

"It is perhaps necessary to explain that it has not been found possible to include the provisions of the Indian Tolls (Army) Act, 1901, in the present consolidation."

Now, the reason for this would again be obvious to those who have gone through the Indian Tolls (Army) Act, which, again, is an important and a somewhat large measure. Yet, Sir, we find that in spite of that statement, clause 6, sub-clause (*a*) of the Bill does seek to reproduce a certain important provision from the Indian Tolls (Army) Act. As to what the effect of this would be we are not concerned with at this stage. I simply want to show to those who have not had time to go through the Bill

carefully that an adjournment at this stage is absolutely necessary, and if I had a right of reply on the previous measure I would have made my position quite clear. I propose that the consideration of this Bill do stand over for a couple of weeks.

THE HONOURABLE THE PRESIDENT: Amendment moved to motion under consideration:

"That the consideration of the Bill to consolidate the law relating to Tolls on Public Roads and Bridges be postponed for not less than a fortnight."

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I do not at this stage propose to deal with the particular ground which, by way of illustration, my Honourable friend has put forward in support of the motion for adjournment. These are matters with which I have no doubt my Honourable friend will deal, if he thinks necessary, at the proper stage, and I shall in that event explain the views of Government in connection therewith. I am glad to observe that my Honourable friend has taken, and is taking, such keen interest in these two measures of consolidation which have been placed before the Council, and, in view of the fact that these Bills were introduced last Saturday, that is to say, only three days ago, and the motions which my Honourable friend Mr. Khaparde and I have made in respect of the two measures have been put forward before the House to-day, three days after, I see nothing unreasonable in the request which my Honourable friend has made, and therefore I am willing to accede to it.

THE HONOURABLE THE PRESIDENT: The question is:

"That the consideration of the Bill to consolidate the law relating to Tolls on Public Roads and Bridges be postponed for not less than a fortnight."

The motion was adopted.

ELECTION OF PANELS FOR STANDING COMMITTEES.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, I move:

"That this Council do proceed to elect in the manner described in the rules published in the Home Department Notification No. F. 49, dated the 22nd August, 1922, as amended by the Home Department Notification No. D. 794-C., dated the 30th January, 1924, 4 panels consisting of six members each, from which the members of the 4 Standing Committees to advise on subjects in the Home Department, the Commerce Department, the Department of Education, Health and Lands, and the Department of Industries and Labour, respectively, will be nominated."

I do not think, Sir, that it will be necessary for me to detain the House in commending this motion to its approval. Honourable Members are aware of the circumstances and objects in which and for which these Committees are appointed, and I do not think I need say more than this, that on behalf of the Department with which I am more particularly concerned—and I am sure that other departments similarly concerned would desire to endorse what I say—I desire to acknowledge very cordially the valuable assistance and advice we have received from these Committees, and it is in the hope that we shall continue to receive that valued advice and assistance that I make the motion standing in my name.

THE HONOURABLE THE PRESIDENT: The question is that the following motion be adopted:

"That this Council do proceed to elect in the manner described in the rules published in the Home Department Notification No. F. 49, dated the 22nd August, 1922, as amended by the Home Department Notification No. D. 794-C., dated the 30th January, 1924, 4 panels consisting of six members each, from which the members of the 4 Standing Committees to advise on subjects in the Home Department, the Commerce Department, the Department of Education, Health and Lands, and the Department of Industries and Labour, respectively, will be nominated."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: I believe I have to fix a date for nominations.

THE HONOURABLE MR. J. CRERAR: Yes, Sir; that is the usual procedure.

THE HONOURABLE THE PRESIDENT: I think a suitable date for nominations will be any time before to-morrow, eleven O'Clock, at the table. Will that suit the Council generally?

THE HONOURABLE MR. J. CRERAR: Sir, on the previous occasion you notified a date about four days or five days later than the date on which the motion was passed. I think that was found generally convenient to the House.

THE HONOURABLE THE PRESIDENT: Certainly; I am in the hands of the House in fixing the date. Shall we have . . . .

THE HONOURABLE SAIYID RAZA ALI: I think, Sir, it will be convenient to have this to-morrow.

THE HONOURABLE THE PRESIDENT: In view of the remarks just made by the Honourable Mr. Crerar, I will fix next Monday.

RESOLUTION *RE* AWARD OF THE NOBEL PEACE PRIZE TO HIS HIGHNESS THE AGA KHAN.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I beg to move that:

"This Council recommends to the Governor General in Council to convey to the Norwegian Parliament the considered opinion of this House that His Highness Sir Sultan Muhammad Shah, Aga Khan, G.C.S.I., G.C.I.E., G.C.V.O., LL.D., is the fit person for the Nobel Prize for peace this year in view of the strenuous persistent and successful efforts that His Highness has made to maintain peace between Turkey and the Western Powers since the Armistice."

Before I proceed with this Resolution, I feel it my duty to tender my grateful thanks to Government and to you, Sir, for allowing the time-limit notice to be waived in the present case. I am also sincerely grateful to the Leader of the House for having permitted the discussion of this Resolution on a day reserved for Government work.

As regards this Resolution, I think very few words are necessary to commend it for the acceptance of the Honourable Members. At the outset I may just in a word explain why it has been necessary to move this Resolution in the Council of State. It might be considered by some

of my friends that this request could have gone forth from the people outside this Council. But the rules framed by the Norwegian Parliament, with the concurrence of the Committee appointed by the Norwegian Parliament, make it obligatory that a request of this kind must go through the Legislature of the country which recommends the candidate. It was for this reason necessary that I should move this Resolution in this Council. I shall not detain the Council very long, but I may briefly mention first the genesis of this prize recommendation and, secondly, I will briefly discuss the particular qualifications of His Highness the Aga Khan for this rare distinction. This prize was founded by the great philanthropist who carried that name and who died on the 10th December 1896 at San Remo. He left his colossal fortune in trust for the establishment of five distinct prizes, each amounting to several thousand pounds. He left instructions under the Trust deed that these prizes were ordinarily to be awarded annually, without distinction of nationality, caste, race or creed.

THE HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab: Muhammadan): Was he a Norwegian?

THE HONOURABLE SIR MANECKJI DADABHOY: I believe he was. The first three of these Prizes were earmarked for eminence in physical science, in chemistry and in medical science or physiology, and the fourth was earmarked for the most remarkable literary attainments and also in the domain of poetry; and the fifth was to be given to the person or society that rendered the greatest service to the cause of international brotherhood, in the suppression or reduction of standing armies or in the establishment and furtherance of peace congresses. During the last few years this prize has remained in abeyance. But previous to that two of the past recipients are worthy of note. One of them was President Roosevelt, who obtained this prize for his matchless efforts in the cause of peace. The second prize was awarded to our distinguished countryman Dr. Tagore, who obtained the same in the domain of literature and poetry. I may mention it to my Honourable friends that the Norwegian and Swiss papers have already indicated that this prize ought to go this year to His Highness the Aga Khan. I am therefore re-echoing in this Council what I feel has been indicated in other parts of the world. As regards the personal qualifications of His Highness for this distinction, I do not think I should detain the Council much longer. You are all aware that His Highness occupies a prominent place in the social and political life of India. He has acquired a European fame and reputation, is regarded with great respect not only by a large number of his followers, but is respected throughout India by all castes and all creeds. His name is a household word in India, and he is a most eminent citizen who has in many ways worked with a singleness of purpose for the welfare of India generally.

The part which he played after the Armistice in the matter of the furtherance of peace, is doubtless known to many of you. I do not wish to exhume past controversies or to refer to any controversial matters in the course of this debate, but I shall only refer to certain outstanding incidents since the Armistice which brought in the forefront the great services which His Highness rendered not only to the Moslem world but generally to the cause of peace, progress and order. Many of my friends, if they recall the events of 1921-22, will remember that in the year 1921—that critical period two years after the Armistice, when

[Sir Maneckji Dadabhoy.]

there was great apprehension of Europe again being plunged into the conflagration of another war, His Highness played a pre-eminent part in the furtherance of peace. You will remember that representatives of the Angora Government, as well as representatives of the Greek Government, went to London to discuss the terms of peace. That event was known as the Conference of London. It fortunately occurred to His Excellency the Viceroy at that time to send an Indian delegation to London to confabulate with the Angora representatives and to place the Indian point of view before His Majesty's then Prime Minister, Mr. Lloyd George. We are aware of the interview which His Majesty's chief representatives gave to these two representative deputations. Unfortunately, our delegation arrived late in London and could not take any effective part in the preliminary negotiations and discussions; but, later on, at the request of the Indian delegation, the Angora representatives extended their stay and the Indian point of view was pressed upon the attention of the Prime Minister and Mr. Bonar Law who was also present at the interview. That first London Conference for some reason proved abortive, but at the second Conference His Highness the Aga Khan, on account of reasons of health, was not able to be present and for reasons best known to His Majesty's Ministers in England the angle of view had unfortunately altered. Meanwhile, complications had arisen in Angora and serious trouble had arisen owing to the demand made by the British Government for the release of certain British prisoners in Turkey. That trouble would have become very serious but for the tact and intervention of His Highness the Aga Khan who *somjhaoed* the Angora representatives and thus obtained the release of the British prisoners. I shall not dilate further on this matter except to make one or two other observations in connection with His Highness's services for the maintenance of peace and the preservation of order in Europe and Asia. He also played a prominent part at the Lausanne Conference. The first Lausanne Conference proved abortive but at the second Conference the Aga Khan was present. It was his indefatigable energy, his ceaseless efforts and the conciliatory methods which he employed with the Angora representatives that resulted in the final settlement at Lausanne, with what results my Honourable Colleagues are all aware of. I am therefore, Sir, pressing for the consideration of this Council the case of an eminent citizen who has rendered yeoman service not only to India but to the civilized world generally. You are aware of the tension and the strain of public feeling in 1921-22. You are aware that at that time the whole Moslem world felt convinced of the necessity of supporting the Angora Government. Happily, there was peace with Turkey, and it would be ungracious on my part if I omitted to mention the great part played by the Government of India in this matter. It was the strenuous efforts of the Government of India, the masterly ability, precision and vigour with which they placed the case on behalf of the Moslem population of India that that great achievement was rendered possible and His Highness the Aga Khan was in a position to attain that great measure of success. I shall not detain the Council any longer. These are the qualifications and the merits of the man for whom I now move this Resolution asking you to recommend him for the great distinction of the Nobel Peace Prize at the next award. I fully and firmly believe that my Honourable Colleagues will support me in this recommendation and accept this Resolution.

THE HONOURABLE KHAN BAHADUR I. H. JAFFER (Bombay Presidency: Muhammadan): Sir, I rise to support the Resolution which has been so ably moved by my Honourable friend, Sir Maneckji Dadabhoy. His Highness the Aga Khan has indeed done much towards maintaining peace between Turkey and other Western Powers since the armistice, and in my view he is the rightful person to be awarded the Nobel Prize this year. I may add that he has been most consistently and continuously striving all through to maintain a harmonious equilibrium not only between Turkey and the Western Powers but in many parts of the world. He has great influence and a large personality and he never loses any opportunity to use them in the interests of peace. I heartily support the Resolution.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGER (Madras: Non-Muhammadan): Sir, I am informed that this is a non-official Resolution and the official Leader of the House has permitted this Resolution to be brought on an official day. I may enlighten this House that the Leader of the House not only permitted this Resolution to be brought before this Council but he briskly canvassed this morning for the support of this Resolution. I beg to be excused if I am misinformed. I think, Sir, that this Council will be stultifying itself if it should give its assent to this Resolution. There are better names as peace-makers deserving of this Nobel Prize than the gentleman mentioned in this Resolution as " a fit and proper person." Further, the Resolution says that it is ' the considered opinion ' of this Council which makes the recommendation. Sir, this Resolution was circulated only yesterday and we have not had the time to consult all our Moslem friends and others in the country about it. Sir, so far as I have been able to gauge public opinion, I have the authority of eminent members of the Moslem community residing at Delhi, who are important office bearers of the Khilafat Committee, that this gentleman is not " a fit and proper person " for the Nobel Peace prize. Sir, our *ex*-Governor General, Lord Chelmsford, endeavoured his best to solve the Turkish question, and the prize can be awarded to him, if not, to Lord Curzon. We have been seeing in the papers the name of Mahatma Gandhi being mentioned freely as the one who would deservingly be the recipient of the Nobel Prize and that would have been welcomed. If it should be the object of this Council to ask the Norwegian Government not to bestow this on Mahatma Gandhi, it may plainly say so, and not usher in the name of one Aga Khan. We have not had a good report of His Highness the Aga Khan, and I oppose this Resolution with all the strength at my command.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, in view of some of the observations which have fallen from the lips of my Honourable friend opposite, it is necessary for me to intervene in the discussion at this stage. I had originally intended to say a few words with reference to the Resolution, somewhat towards the end of the discussion. The waiving of the rules regarding the time-limit for a recommendation of this description lies with His Excellency the Governor General; this matter did not rest with either the Leader of the House or the Government. This morning certain Honourable Members of this House asked me certain questions with regard to the Resolution, and I undoubtedly answered their questions. But to say that I canvassed in connection with this Resolution is somewhat surprising. I am sure the House will recognize that the desideratum in a matter of this kind is to ascertain the non-official opinion with regard to the recommendation, and the Government, therefore, and I, as a Member of the Government, will

[Dr. Mian Sir Muhammad Shafi.]

not either vote or speak on the merits of the Resolution. Nominated Officials will therefore abstain from taking part in the division. All non-official Members, whether elected or nominated, are the persons whose views with regard to this recommendation Government wish to obtain. Should the House adopt the Resolution, the Governor General in Council will communicate it to the proper quarters.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I rise to support this Resolution. The Nobel Prize is a distinction which is rightly looked up to throughout the civilized world, for the honour is only conferred after searching inquiry, and all its recipients are people who have made their mark in the world in one or other of the different spheres of work for which the different prizes are awarded and which spheres were enumerated by the Mover of the Resolution. I must confess, Sir, that I was surprised at the discordant note sounded by one Honourable Member Mr. Ayyanger. The Honourable the Law Member, the Leader of the House, can well take care of himself, and he has already done so in regard to the charge preferred against him of canvassing and canvassing briskly for votes. If the Honourable Mr. Ayyanger referred to my conversation with the Law Member, if he saw me carrying on such conversation, let me assure him that it was because I desired to elicit some information from the Honourable the Law Member in regard to certain rules for the awarding of this prize. My Honourable friend, Mr. Ayyanger, mentioned . . . .

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGER: I did not refer to anything about that conversation.

THE HONOURABLE MR. PHIROZE C. SETHNA: The Honourable Member has said that in the public press another Indian name was suggested for this prize and that name should be considered by us. He meant, of course, Mr. Gandhi, about whom the Honourable Members may already know, but if any Members are not yet aware they will, I am sure, be very glad to learn that Government have this morning decided to release him unconditionally, a decision upon which Government deserve to be highly complimented. The Honourable Mr. Ayyanger said that Mr. Gandhi's name was suggested in the Press. Might I inform the Honourable Member that, even if his name was sent up, the rules would not permit of Mr. Gandhi getting this prize, for, so far as I know, the rules lay down that any attempts made by individuals for peace must not relate to peace in one particular country but to international peace, and it was therefore that the name of His Highness the Aga Khan appears to have been suggested to the Norwegian Government, and rightly so. This House cannot do better than support that recommendation in the manner which this Resolution lays down. His Highness the Aga Khan has distinguished himself by rendering valuable service in the matter of promoting peace between warring nations. As the Honourable Sir Maneckji Dadabhoy rightly put it, the Aga Khan is recognized as one of the greatest personages in the Muhammadan world of to-day. He wields great influence and great power, and it is most gratifying that he used that influence and that power to considerable advantage and for the benefit of mankind in bringing about a better understanding between the contending parties. The Aga Khan's labours it will not be wrong to say perhaps prevented hasty action at the time and thereby averted what might have proved a conflagration between the East and the West. In the autumn of 1922, as the House

will remember, Turkey drove the Greek forces from Asia and that victory greatly agitated Western nations,—so much so that the House will remember that the then Prime Minister, Mr. Lloyd George, nearly drove Great Britain to the verge of a new war just when the entire Moslem world had awakened to a sense of supporting Turkey at any cost. The services rendered at that time by His Highness and from that time right up to the time when the two Conferences were held in Lausanne, were certainly conspicuous. It is therefore but meet that those services be rewarded in the manner contemplated in the Resolution. I have heard it remarked, not in the House but outside, that His Highness is not a British subject. I should like to remove that wrong impression, for His Highness is as much a British subject as any of us in this Hall. His Highness is so much a British subject that even to-day he receives from the British
12 Noon Government a pension of Rs. 12,000 per annum for the services rendered by his distinguished grandfather in the forties of the last century, services rendered to Sir Charles Napier in the consolidation of the province of Sind. With these remarks I very strongly support the Resolution.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): Sir, so far as the award of the prize is concerned, there is not much to say. Those who are responsible for awarding the prize will use their discrimination in bestowing it on the right person. I should be very glad if it is bestowed on one of my countrymen, preferably on Sir Aga Khan. But so far as the procedure is concerned in moving this Resolution in this House, I do not feel at all confident that it is the right procedure. I remember a request was made in this House that the Rhodes scholarship should be awarded to Indian students and then Sir Arthur Froom and I were the only persons who opposed that Resolution. On the same ground, Sir, I feel that we are going out of our way to convey to the Norwegian Government or whoever is responsible for awarding this prize our views. We have heard about the services rendered by His Highness the Aga Khan recounted with much eloquence both by Sir Maneckji Dadabhoy and my friend, Mr. Sethna. Well, if I were going into the subject I could name 20 others; Europeans of great ability and power who have done more to secure peace than His Highness the Aga Khan. If that is to be the criterion, why should not this Council recommend that other British subjects who have equally contributed towards international peace should be considered in connection with the award of this prize? In any case, Sir, I do not think that this Council, at this stage, should take upon itself the responsibility of making a specific recommendation of this kind. If in the eyes of the trustees of the Nobel Prize His Highness the Aga Khan is the right person to get the prize, we have no doubt he will get it. If he is not, and there are others who have a better claim, the trustees will use their discrimination in awarding the prize. I do not think this Council in any case is justified,—nor has it the knowledge or opportunities to find out, and to judge who is the best man who has contributed towards international peace. In this connection the name of Mr. Gandhi has been mentioned and I rejoice to-day—as I think the whole country rejoices—at his unconditional release. But Mr. Sethna pointed out that he was not entitled under the rules to be considered in connection with the Nobel Prize. Well, that is a side issue. The whole thing depends on the question as to who has really contributed towards peace; and even that question whether the name of Mr. Gandhi will exclude that of the Aga Khan or that of the Aga Khan will exclude that of Mr. Gandhi this House should leave entirely to be decided by the trustees in whose hands the awarding of the

[Sardar Jogendra Singh.]

Nobel Prize rests. If we start making requests to-day we have this request and to-morrow we may make a recommendation to the Governor General to be guided in preparing the Honours List by this Council. I think we are starting a dangerous precedent, not dangerous in the real sense but of an awkward nature. So far as this procedure is concerned, I consider it improper that we should make recommendations of this kind. On public grounds, I am not prepared to support the Resolution. So far as personal considerations go, I think the prize may be awarded to His Highness the Aga Khan or to Mahatma Gandhi, whoever is considered deserving by the trustees.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, yesterday evening when I was considering the subject of this Resolution, I felt whether or not it was proper for this House to make such a recommendation; I had no papers before me giving me information as to how the Nobel Prize is awarded. So when I came this morning, I met the Honourable the Law Member and I asked him what these rules were and whether it was proper for us to make such a recommendation. A number of my Honourable friends also approached him with a similar request and, as far as I heard, he gave them the same information. Therefore, I think my Honourable friend Mr. Rangaswami Ayyanger is not correct in making the accusation he has made in this matter. As far as the award of this prize is concerned, I learned from the Honourable the Law Member that the recommendation for the award of such a prize must go from the Legislature of the country concerned. So, for that reason I think this House ought to make some sort of recommendation and, if my Honourable friend Sardar Jogendra Singh had only heard the opening speech of our Honourable friend Sir Maneckji, he would not have got himself confused in this matter. I do not know His Highness Sir Aga Khan personally, but I can say that he wields great influence in the Muhammadan community and in case, as the Honourable Sir Maneckji has said, the vote of the trustees of this prize is in favour of Sir Aga Khan, I do not want to stand in the way.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, being a representative of Muhammadans, I think I must say a word on the subject. The Aga Khan is a Muhammadan and, if he can get this prize, we ought all to back him up. As to the merits and demerits of the case, I need not dilate upon them. Sir, I must say one thing and that is, that we have a saying among Muhammadans that a deaf man may go to Paradise because he does not hear ill of any one, but in this case it has been the reverse, because our friend has believed that whoever has been talking to the Leader of the House has been talking about the Resolution, and that he has been canvassing. I think that is not the case but he was only like the Brahmin who accidentally killed a calf and was inquiring of any people who were talking whether they were talking about the calf. He was all the time believing that they were accusing him. In the same way any man who has been speaking to the Law Member has been supposed to have spoken about the Resolution and canvassed. Again, Sir, those who suggest the name of Gandhi in this connection are quite right, because I think, personally, he is a greater man because he often creates trouble in this country which leads to murders and similar things. So why cannot he get the prize, as he is a much greater man than the Aga Khan in this respect?

THE HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab: Muhammadan): Sir, I am glad that this Resolution has been moved by my Honourable friend, Sir Maneckji Dadabhoy, because he is entitled to move this Resolution from a very great point of view and it is this, that he springs from the same source as the Aga Khan himself. He belongs to that ancient country, Persia, which was distinguished by chivalry and valour in the remote ages. So, Sir Maneckji Dadabhoy, inspired by the traditions of old chivalry, voices his instincts in this Council in a most appropriate manner. I, therefore, Sir, inspired by his example, rise to support his Resolution. In supporting this Resolution, I wish to make a few observations. Some of the Honourable Members have mentioned the meritorious services rendered by His Highness the Aga Khan in the cause of peace. I do not think that there is anybody who denies that His Highness the Aga Khan is not an eminent man. His very appearance inspires you with peaceful and loving associations. But, Sir, the history of the peace in the Near East is a chequered one. We saw the peace treaty, as it was proposed at Sevères and we saw the rise of the Nationalist movement after that in Anatolia, and, subsequently, the dramatic defeat of the Greeks in Anatolia and the drama of the Peace Conference at Lausanne, which is divided into two parts. The first part, as one of the Honourable Members observed, proved abortive. I think I remember correctly that Sir Maneckji Dadabhoy said that on that occasion His Highness the Aga Khan was present at Lausanne. The second part of the drama opened again at Lausanne, later on, and I believe that His Highness the Aga Khan was again present there on that occasion. I have no definite or positive information with me to say exactly what his efforts were in the cause of peace on that occasion, but I believe that he went there and took all the trouble in order to bring peace into the troubled world of the Near East. Whether it was due to his efforts or the mind of the nation was made up for peace, I cannot say. But one thing is certain that the peace in the Near East was not due to any of those peace bubbles blown on that occasion, although I believe that one of the biggest bubbles blown was perhaps blown by His Highness the Aga Khan. I think it would not be right to omit the mention of those names who made really serious and sincere efforts to promote peace in the Near East. I think one of the biggest names is that of Mr. Montagu, at one time Secretary of State for India, and I think I might also mention the names of the two successive Viceroys—Lord Chelmsford and His Excellency the present Viceroy with the Members of his Council. It would be invidious indeed to mention individual efforts but there is no doubt that, if these efforts were effective to bring about peace in the Near East, the Government of India's share was not a negligible one. His Highness the Aga Khan has at all critical moments in the history of the Muhammadan world come forward with his own personal efforts, with money and with personal influence, to establish peace conditions, and especially to promote peace between the Muhammadan nations and the British Empire. This is a thing, Sir, which from my point of view is most laudable. All those who know the history of the Muhammadan world realise that there ought to be peace between the Muhammadan countries and the British Empire, and, therefore, if anybody promotes that understanding, he must be given due reward. My Honourable friend to my left said that he opposed the award of the Rhode scholarship on grounds of self-respect. Well, Sir, he may have done that. But India had the honour of receiving a Nobel Prize before this and it was our distinguished countryman, Dr. Tagore, who was the recipient of that honour. Therefore, Sir, I do not think that.

[Sir Zulfiqar Ali Khan.]

if the Aga Khan receives this honour, it will be in any way derogatory to the self-respect of the country. I therefore think, Sir, that, although the circumstances which brought about peace in the Near East are not unknown to most of us, who have studied the history all along, I do think that the Aga Khan, as one of the promoters of that peace, deserves some recognition. I therefore strongly support the Resolution moved by my Honourable friend, Sir Maneckji Dadabhoy.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I feel that a Resolution of this kind ought to go forth as a unanimous Resolution. I look upon it as a recommendation. Although it goes forth from one part of the Indian Legislature, it is certain to indicate that the whole of India looks upon His Highness the Aga Khan as an Indian.

THE HONOURABLE THE PRESIDENT: The Honourable Member must confine his remarks to that part of the Legislature to which he belongs.

THE HONOURABLE MR. R. P. KARANDIKAR: I am anxious, Sir, that no discordant note may appear in the discussion here, and I was about to say that no discordant note may appear also anywhere else in India, may it be outside or may it be in the other part of the Indian Legislature. My only point is that this is a recommendation which must go forth unanimously. But in order that those to whom this recommendation is to reach may consider that it was a considered opinion of this House, perhaps there may be some discussion on this Resolution and it is only in that light that I look upon the divergent views and not upon the selection of His Highness the Aga Khan. There are reasons and reasons. Some may agree with some reasons; some may not. But it is the conclusion to which weight ought to be attached, and I have no hesitation in supporting this Resolution. But I do so because it is after all an Indian that gets the prize, and the more so if he is a Muhammadan brother. Surely a great matter is it for us, if of all the persons recommended His Highness the Aga Khan is selected; for that will attract the greatest attention in the world to what India is and what India may be in the future. I am not moving an amendment, but I should have liked to see the last two or three lines of this Resolution omitted. They seem to me to limit the selection because of a certain particular ground while His Highness the Aga Khan may possess many other more estimable qualifications in various public activities which are of high value and might also suitably be rewarded by the grant of the peace prize. It is not however so much the qualities which he possesses as the fact that it is necessary for the Legislature of his country to back the man whom we offer for selection as required by the scheme under which the prize is awarded, and, therefore, it is necessary for us to record our considered opinion that the Aga Khan is entitled in our view to the Nobel Prize this year. We are not concerned with the question as to whether there are other competitors in the world, and I am most anxious that no invidious distinctions should be put forth in this Council of Elders, of whom I am one. And I am afraid that if the example which has been set here were to be followed by the younger generation outside this House, it might needlessly ruffle the feelings of the public. I therefore deprecate the bringing in of anybody else's name, be he the highest in the land and acknowledged to be a deserving person, or otherwise. I should be the last to contribute to any such discussion. I have the greatest pleasure in lending my support to this Resolution.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces' Northern: Non-Muhammadan): Sir, in this matter there is no Hindu or Muhammadan question involved. The prize has been given and will be given to the most fitted person in the world. On a previous occasion it was awarded to Dr. Tagore of Bengal. This year it may possibly be given to His Highness the Aga Khan, whom we are going to recommend, or to some other better person we do not know. So far as we are concerned, we have to find out and recommend the best man for this prize, and with much pleasure I support the recommendation for the Aga Khan as contained in the Resolution before us. When I came here this morning, I was not quite clear as to how this Resolution could be discussed in this Council, but as explained by the Honourable the Law Member it is necessary that for this prize a recommendation should go from the Legislature of the country to which the person belongs, and, therefore, I give my support to this Resolution.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-official): Sir, I did not intend to speak on this Resolution, but as a dissentient note has been sounded in this House and as, if this Resolution is to have any value at all, it must be the unanimous recommendation of this House, I think that, since it is not unanimous, it cannot do any good at all. I would therefore suggest to the Honourable Mover that he should withdraw the Resolution; for now, even, if it is carried, it will go out of this House with the stigma of dissension.

Another reason for which I am not in its favour is the reference to Turkey in the last line or two of the Resolution. I am not sure that that is correct, for when His Highness the Aga Khan wrote a letter which was published in a Turkish journal, the printers of the journal were prosecuted. So it would seem that the Turks at any rate would not thank us for making this recommendation. They, at any rate, would not seem to hold a very high opinion of his services in the cause of peace. So all things considered, I think the wisest course would be to drop this Resolution altogether.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, it is not without considerable reluctance that I have decided to take part in this discussion. The scope of the Resolution is so vast that one can go on discussing European political affairs right from the middle of November 1918 to the beginning of the year 1924. If one were to attempt that, surely one would have to go into very many controversial questions which at any rate is not calculated to promote the interests of peace in this House. I do not therefore propose to go through all that. But if I am to take part in this discussion then in view of the words used by the Honourable Mover Sir Maneckji Dadabhoy, I do not see how I can avoid going into all these controversial questions. I specally invite the attention of Honourable Members to the latter portion of the Resolution wherein His Highness the Aga Khan's efforts as regards the maintenance of peace between Turkey and the Western Powers since the Armistice are mentioned. Sir, some of us may have short memories; perhaps others do not suffer from the same disease. But to avoid going into these highly controversial questions, I believe the best course would be to omit the last portion of this Resolution. I will just hand in an amendment. I am sorry, Sir, to adopt that course because it is wholly alien to my nature (Laughter)—I mean to offend people by killing a most useful measure by bringing forward a most harmful amendment. Still I think that if it is proposed that there should be anything like consensus of opinion on this

[Saiyid Raza Ali.]

Resolution, it is very necessary that those words should not be used, which are calculated either to strike a note of discord in this Chamber or elsewhere. That is my justification for proposing that. To begin with, the words " the considered opinion " should be omitted and in their place the words " that in the view " should be inserted.

THE HONOURABLE THE PRESIDENT: Will the Honourable Member hand in his amendment at the table.

THE HONOURABLE SAIYID RAZA ALI: I will just do that.

THE HONOURABLE THE PRESIDENT: While the amendment is being written out, the discussion may proceed.

THE HONOURABLE SAIYID RAZA ALI: If you will allow me, Sir, I will read it out,—as I have amended the Resolution and as I am giving it to one of the officers . . . . .

THE HONOURABLE THE PRESIDENT: Will the Honourable Member kindly hand in the amendment. I will read the amendment when received. In the meantime the discussion may proceed.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, if I speak on the Resolution, will I be in order in speaking on the amendment also?

THE HONOURABLE THE PRESIDENT: Yes.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Then, Sir, before I say anything on the merits of the question, I would like to give my personal explanation to my Honourable friend, Mr. Rangaswami Ayyanger. What happened this morning, Sir, is this. As I came up and some of my Honourable friends came up, we were discussing this question as to whether this House was the proper place where a Resolution of this nature should be moved. As we were talking amongst ourselves in the verandah, the Honourable the Leader of the House came up, and then we said, " here is the Leader of the House " and we turned to him for information, and he said that the only reason why this Resolution was allowed to be brought forward in this House was that under the rules for the grant of this Nobel Prize it is laid down that, if any name should be recommended, it should be recommended by the Legislature of that country, and it was only on that ground that special permission was given to the Honourable Sir Maneckji Dadabhoy to move this Resolution in this House. I want to clear up this misunderstanding here, because the Leader of the House at least has not asked for my vote or asked me to speak on it; so I can honestly say that there has been no canvassing on his part, and I hope the Honourable Mr. Rangaswami Ayyanger will accept it, that there has been nothing of that sort, so far as I am concerned. After saying that, Sir, I turned to my friend and said, " will you please give me the rules, because I want to satisfy myself what the rules are ". He said that he had unfortunately not read the rules.

THE HONOURABLE SIR MANECKJI DADABHOY: I mentioned it.

THE HONOURABLE MR. LALUBHAI SAMALDAS: If he had, it is in French.

THE HONOURABLE THE PRESIDENT: The Honourable Member must not presume that the Honourable Mr. Lalubhai does not know French. (Laughter).

THE HONOURABLE MR. LALUBHAI SAMALDAS: I do not know French. The Honourable Sir Maneckji Dadabhoy said that we can ask Government to translate them into English, but the very fact that he did not get them translated shows that he does not want to be as polite as he usually is to all Honourable Members of the House who do not know French. However, that was the reason why I could not make up my mind whether I should vote for it or should not vote for it, because the reasons also that he gave were not quite satisfactory, and I wanted to wait and see what my Honourable friends had to say on the subject. In this Resolution, as has been suggested by my Honourable friend, Saiyid Raza Ali, he wants some portion to be taken off, but I will refer to that hereafter. All I want to say now is this. His Highness the Aga Khan is, as my Honourable friends know, an Indian first, and that this honour should go to an Indian is really to the credit of the country. But it is not merely because he is an Indian, or because he is merely a Muhammadan, that I welcome this Resolution He is a patriot of patriots; as a Nationalist, he is perhaps second to none in this country, and it is for this reason that I welcome this opportunity of supporting this Resolution and the amendment which I think I have the right to do.

[At this stage the Honourable Mr. K. V. Rangaswami Ayyanger rose.]

THE HONOURABLE THE PRESIDENT (to the Honourable Mr. Rangaswami Ayyanger): The Honourable Member, in making any observations by way of personal explanation or in withdrawing any remarks, must not make a speech.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGER (Madras: Non-Muhammadan): I now see the subtle distinction made between " the interpreting of the rules " and " brisk canvassing " for the Resolution. The Honourable Members—half a dozen of them—are said to have sought for the enlightenment of the rules, and the Law Member, it seems, explained the rules in favour of this Resolution. I thought that was " brisk canvassing," but I now withdraw the words " brisk canvassing." There has not been any Resolution of this nature brought forward, and this is the first Resolution of the kind, and the Honourable the Law Member says he only interpreted the rules to select members in favour of the Resolution and that this should not be interpreted as ' brisk canvassing.' I accept the statement of the Honourable the Law Member and half a dozen of my Colleagues and I withdraw the words " brisk canvassing ".

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): I am much obliged to my friend.

THE HONOURABLE THE PRESIDENT: To the Resolution under consideration Amendment moved:

" For the words ' the considered opinion ' the words ' in the view ' be substituted: for the words ' the fit ' in line 4 the words ' a fit ' be substituted; and all the words from ' in view ' in the 5th line down to the word ' Armistice ' be omitted."

The Resolution, as amended, will read as follows:

" This Council recommends to the Governor General in Council to convey to the Norwegian Parliament that *in the view* of this House, His Highness Sir Sultan Muhammad Shah, Aga Khan, G.C.S.I., G.C.I.E., G.C.V.O., LL.D., is *a* fit person *to be awarded* the Nobel Prize for peace this year."

[The President.]

These three Amendments may well be considered together. The Honourable Member has moved his Amendments.

THE HONOURABLE SAIYID RAZA ALI: If you will permit me, Sir, I will just bring out the significance of these words.

THE HONOURABLE THE PRESIDENT: I understood the Honourable Member concluded his speech by moving the amendment.

THE HONOURABLE SAIYID RAZA ALI: I think, Sir, it is just necessary to point out what I mean. That is all. Very briefly stated, the Resolution, as amended, would give the impression that, in the view of this Council, His Highness the Aga Khan is a fit person to be awarded the Nobel Prize. We do not lay any unnecessary emphasis on the qualifications that he possesses since those qualifications are known more or less all the world over. Also the last words of the Resolution are likely to give rise to controversial matters. Therefore, I believe the Resolution, as it stands now, conveys all that we want to convey to the Norwegian Parliament without laying ourselves open to the charge that we are acting in a spirit of partisanship towards His Highness the Aga Khan. I think, Sir, the amended Resolution is, if I may be allowed to say so, better worded and conveys our meaning more clearly than the original Resolution. I move it.

THE HONOURABLE SIR MANECKJI DADABHOY: I understand that I should now speak on the amendment, Sir.

THE HONOURABLE THE PRESIDENT: These propositions are in the nature of alternatives and the Honourable Member can reply on his motion and speak on both.

THE HONOURABLE SIR MANECKJI DADABHOY: I have heard with great interest the debate that has followed my motion. I am glad there is not so much dissension among us as the Honourable Mr. Khaparde has sought to make out. (*The Honourable Mr. K. V. Rangaswami Ayyanger*: "There is"). Before the Honourable Mr. Khaparde got up to address this Council there was only one dissenting voice and subsequently, objection was raised in a very half-hearted manner by my Honourable friend Sardar Jogendra Singh. I quite realise Sardar Jogendra Singh's objection. He did not object to our recommendation as regards the Aga Khan, but he laid certain facts before this House and mentioned the names of two great administrators who he thought were entitled to this prize in preference. So my Honourable friend Mr. Khaparde was not quite correct in appraising the sense of the members of this Council on the point. I am extremely grateful to my friend the Honourable Mr. Karandikar for the full, candid, fair and honest manner in which he has given his unstinted support to my Resolution. As one of the oldest members of this Council, I take the liberty of congratulating him on the excellent maiden speech which he made to-day. It was both edifying and worthy of the traditions of the Council. I trust the forcible manner in which my Honourable friend Mr. Karandikar has placed the case before this Council will receive due consideration from this House. We are concerned to-day with a very important Resolution. Let not petty jealousies of race, caste

distinctions, communal distinctions, trouble us in this matter. Let us, as the elder statesmen, charged to discharge our duties faithfully and properly in this Council, and to give every person his due, approach this Resolution in that spirit of fairness and forbearance, in that spirit of generosity, which alone ought to be the method of approaching it. My friend, the Honourable Mr. Ayyanger, at the commencement of his speech made certain remarks and stated that our recommendation ought to have been in favour of Mr. Gandhi. I have been forestalled in this matter by my Honourable friend Mr. Phiroze Sethna who very lucidly explained to this Council that, even if it was the wish of this Council to recommend Mr. Gandhi, we could not possibly do so. The prize is awarded for international services, for services rendered to the greater and wider cause of the welfare of the world, and not limited to parochial or special services to India. Apart from the fact that whatever qualifications Mr. Gandhi may possess, we could not possibly, under any circumstances, recommend him for this distinction, and our choice could not have fallen on a more worthy person than His Highness the Aga Khan. I quite understand and realise the force of Sardar Jogendra Singh's argument that Lord Curzon as Foreign Secretary and Lord Chelmsford as the Viceroy of India had rendered great services in the cause of peace. I did not omit to mention that, because Honourable Members will remember that at the end of my speech I particularly alluded to the great services rendered by these two great servants of the Empire and these distinguished men. But, after all, their services were rendered in the course of their official duties, and the question before us and the Resolution which I have placed before this Council is about the recognition of the services of a non-official citizen.

Sir, the Resolution cannot possibly be questioned so far as the Aga Khan's services are concerned. I find that members who spoke against the Resolution on other points had the frankness to acknowledge that he is worthy and deserving of this distinction. Sir, I have explained in the earlier portion of my speech the circumstances which necessitated the introduction of this Resolution in this Council. We were tied down by the rules framed by the Norwegian Parliament and I should have very gladly read the rule before this Council if any member had then interrupted. I perhaps could not read the rule, but I would have requested the Honourable the President to ask the Secretary, who is a French scholar, to read this rule before the Council, and if any of the Honourable Members have any doubt about this matter and require this to be done, I am certain our worthy President will immediately accede to his request and ask the Secretary to read the rule. There is no difference between us with regard to his splendid services, though there may be some difference as to the propriety of the Resolution. What we have to look to is the general work which His Highness the Aga Khan did. I may quarrel with a part of his work. Some other Honourable Member may disagree with some other portion of his work. But we have to look to his collective activities. We have to look to his strenuous efforts spreading over a long period of time, from 1918, after the Armistice, up to 1922, when the Peace Treaty at Lausanne was signed. We have to take a general view of the whole thing and base our estimate of the man on his collective work which is spread over a series of years. Sir, I can only say that the Resolution is a fit one for acceptance. I see that there is some force in the remark that the words "considered opinion" may be misconstrued or misread

[Sir Maneckji Dadabhoy.]

by some of our Members or by the public at large. I am glad that this matter was alluded to by my friend the Honourable Mr. Karandikar and more forcibly by my friend Saiyid Raza Ali and I am quite prepared to accede to Saiyid Raza Ali's request to substitute the words "in the view of" for the words "considered opinion". I am also ready to substitute the word "a" for the word "the". But I sincerely request my friend Sayid Raza Ali to reconsider his request about the last part of the Resolution. I am afraid, if we do not mention the reason for our recommendation, our recommendation will look very pale and languid. We must assign some qualification for recommending him for this rare distinction. I am quite prepared and I would readily accede to my friend's request, if I were convinced that we will not be destroying the effect of this motion, if we strike out the last part of the Resolution. I therefore appeal to him once again. I am quite prepared to meet him as far as possible and I am agreeable to remove the words "between Turkey and the Western Powers since the Armistice", if he so desires, but I would request him to allow the Resolution to stand as far as the words "maintain peace". The Resolution will then, I feel convinced, be acceptable to all the Members and there will be no dissentient voice on it. I very much appreciate the arguments so ably advanced by my friend Saiyid Raza Ali, and I trust he will see and perceive the importance of my request as well and agree to meet me half-way in this manner.

THE HONOURABLE THE PRESIDENT: The original Resolution proposed was:

"This Council recommends to the Governor General in Council to convey to the Norwegian Parliament the considered opinion of this House that His Highness Sir Sultan Muhammad Shah, Aga Khan, G.C.S.I., G.C.I.E., G.C.V.O., LL.D., is the fit person for the Nobel Prize for peace this year in view of the strenuous, persistent and successful efforts that His Highness has made to maintain peace between Turkey and the Western Powers since the Armistice."

To that Resolution various amendments have been moved and I think it will be for the convenience of the House if I put them separately.

THE HONOURABLE SAIYID RAZA ALI: May I with your permission, Sir, suggest, although it is wholly irregular.....

THE HONOURABLE THE PRESIDENT: It is wholly irregular.

THE HONOURABLE SAIYID RAZA ALI: May I suggest, Sir, whether we cannot have the words "for the efforts made by him to promote the interests of peace" at the end of the Resolution. This will, I believe, convey the meaning of the Mover.

THE HONOURABLE THE PRESIDENT: I cannot allow the Honourable Member to move an amendment to his own amendment at a stage when I am putting the amendment to the House.

The first amendment proposed is that for the words.....

THE HONOURABLE SIR MANECKJI DADABHOY: May I rise for a minute, Sir. If my Honourable friend Saiyid Raza Ali suggests to substitute the words "for the efforts made by him to promote the interests of peace", I am quite prepared to accept them.

THE HONOURABLE THE PRESIDENT: I have already informed the Honourable Member that, if he makes any change in the amendment now

before the House, I shall have to give an opportunity to other Honourable Members for discussion. It may be that the Honourable Member will accept it. But since it is for the acceptance of the House, every Honourable Member has a right to express his views on it.

THE HONOURABLE SAIYID RAZA ALI: Perhaps Honourable Members do not want to take part in any more discussion. I presume this from the length of the discussion that has already taken place.

THE HONOURABLE MR. G. S. KHAPARDE: I wish to speak on the amendment.

THE HONOURABLE THE PRESIDENT: I now put the first amendment:

"That for the words 'the considered opinion' the words 'the view' be substituted."

The motion was adopted.

THE HONOURABLE THE PRESIDENT:

"That for the words 'the fit' the words 'a fit' be substituted.

The motion was adopted.

The next amendment is:

"That the word 'for' be omitted, and that the words 'to be awarded' be inserted."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The next amendment is:

"That the words 'for peace this year' stand part of the Resolution."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The next amendment is:

"That the words after 'this year' in the Resolution, namely—*in view of the* strenuous, persistent and successful efforts that His Highness has made to maintain peace between Turkey and the Western Powers since the Armistice, be omitted."

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The amended Resolution therefore runs as follows:—

"This Council recommends to the Governor General in Council to convey to the Norwegian Parliament *the view* of this House that His Highness Sir Sultan Muhammad Shah, Aga Khan, G.C.S.I., G.C.I.E., G.C.V.O., LL.D., is *a* fit person *to be awarded* the Nobel Prize for peace this year in view of the strenuous, persistent and successful efforts that His Highness has made to maintain peace between Turkey and the Western Powers since the Armistice."

The question I have to put is that the Resolution, as amended, be adopted.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: That decides the whole question raised by the Honourable Member. The Resolution, therefore, is carried in that form.

The Resolution, as amended, was therefore adopted.

ATTENDANCE OF GOVERNMENT MEMBERS IN THE COUNCIL.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, I wish to make an explanation to the House as to the circumstances under which I was absent during the discussion of the Resolution of Mr. Sethna last evening. I am sorry indeed that I had to deny myself the pleasure of being present here during the further discussion and participating, if necessary, therein. But I hope that the explanation that I shall give will satisfy the House that it was not out of any want of consideration for the House that I was absent, but because of the pressure of public business which compelled me to do so, and gave me no alternative.

1 P.M. As the subject of the Resolution was one which related to the Finance and the Revenue Departments as a matter of convenience I was asked to take charge of it, and I was in charge if it when the subject was opened and I hoped to be able to be present throughout the day. But somewhere about one o'clock I received a notice that there was to be an urgent meeting of the Executive Council at 2-30. I understood that the Honourable the Leader of the House brought it to the notice of the President. We hoped that the discussion would be over before lunch time, but it was not and the meeting was adjourned to 3 o'clock. I desired to make a representation to the President, but I was too late, and I did not find him in his room. The subject-matter of the discussion in the Executive Council being of a very important character I had to choose between that and attending the discussion here. I thought that the latter purpose would be served if Mr. McWatters dealt with what remained to be said. I had already said all that I had to say on behalf of Government. It was in these circumstances that I was compelled to be absent from the House, and I hope that the House and the President will accept this explanation. Public business is sometimes of such a character that we are compelled to make a choice between attendance here and elsewhere. We shall make every effort to be present and to participate in the discussion of this House throughout the day, but I hope the House will be indulgent to us if occasionally we have to absent ourselves from the meetings of this Chamber.

THE HONOURABLE THE PRESIDENT: I welcome the Honourable Member's explanation. I should only like to add that I was under some misapprehension in the matter in that I was unaware, until I rose to put the question that the Government were represented by a delegation made by you, Sir. I would however suggest that it is most desirable, for it is necessary from the point of view of the Chair, that I and the House should know when a delegation has been made. When an Honourable Member has handed over charge of the carriage of any motion to another Honourable Member I think the earliest opportunity should be taken to rise in the House and explain that the case is now in charge of the delegate. In this particular instance I had my attention drawn to the apparent absence of any Government representative in pointed terms because the Government Front Bench was entirely vacant. The Honourable Mover of the Resolution in reply drew very pointed attention to it. No one rose to explain that there was anybody in charge of the Government case, and the position seemed to me rather a difficult one. But I am quite sure that the House will be entirely satisfied by the Honourable

Member's explanation. We recognize, and I think you will bear me out in saying that I have always done my best to recognize, the fact that the Honourable Members of the Government have duties elsewhere, and to arrange the business and procedure of the House, so far as may be, to suit their exigencies. But, since this subject has been raised, I would like to say quite frankly, and I think it is better that I should be frank in the matter, that there is a feeling, wrong no doubt, erroneous it may be, but which has been brought to my notice not from one quarter of the House but from all quarters of the House that there is a tendency to treat this House in a casual way. The impression may be and doubtless is wrong but that it exists there is no doubt. It amounts to a belief that there is a certain disposition not to recognize this House as a part and an equal part of the Indian Legislature. (Hear, hear.) If it is possible to dispel any such impression, however erroneous, it may be advantageous to do so. As President of this Chamber I shall always endeavour, so far as in me lies, to maintain its rights and privileges.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): As Leader of the House, I should like to add a few words to what has fallen from the lips of the Honourable the President. So far as I am concerned, I am sure Honourable Members are aware that I have to the best of my ability always attended every meeting of the House even though the business before the House has not appertained to my Department. I have from the commencement of almost every sitting been present to the end. Yesterday, as has been explained by my Honourable Colleague, there were special reasons for which I was obliged to be absent from the afternoon sitting. So far as I am concerned, and I believe I am representing the views of Government, so far as the Government is concerned, I assure you, Sir, that we fully recognize that the Council of State is not only a part of the Indian Legislature but an equal part with any other portion of the Indian Legislature and it has a position of its own, unique in importance, which no one either in this House or anywhere else can ignore.

THE HONOURABLE SIR NARASIMHA SARMA: Sir, may I say just one word further. I have been connected with this House for more than three years, from the very inception of this Chamber. I am proud to belong to it. It is a Chamber of elderly statesmen, a correcting Chamber, and its usefulness has been fully demonstrated in actual practice on more than one occasion. Therefore on behalf of the Government I may join my friend the Honourable Sir Muhammad Shafi, the Leader of the House, in assuring the House that there is no intention on the part of the Government to belittle the importance of this House in the slightest degree. If such an impression is present in the mind of any individual, we can only say that we are very very sorry. But I think the House can rest assured that not only we, the Members of Government belonging to this House, but all Members of the Government, are equally interested in upholding the dignity and maintaining the traditions of this House.

OFFICIAL BUSINESS FOR THE 12TH AND 14TH FEBRUARY, 1924.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, the next meeting of this Council for official business was provisionally fixed for Thursday, the 7th of February, but, as no Government Bills will be ready to be brought forward, it is proposed, with your permission, that

[Dr. Mian Sir Muhammad Shafi.]

there should be no meeting on that date. Thereafter the next day for official business will be Tuesday, the 12th February, when any Bill which may have been passed by the Legislative Assembly on the day previous, will be laid on the table in this House, and the Indian Cotton Cess (Amendment) Bill, which has been laid on the table to-day, will be taken into consideration. Notice of a motion that the Government's Bill, as passed by the Legislative Assembly, be taken into consideration has been received from His Excellency the Commander-in-Chief, and the motion will be set down on Thursday, the 14th February.

THE HONOURABLE THE PRESIDENT: I have only one remark to make on that statement. If the Honourable the Leader of the House would give time to any other business for Thursday, the 7th, would he consider that?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Very well, Sir

The Council then adjourned till Eleven of the Clock on Wednesday, the 6th February.

COUNCIL OF STATE.

Wednesday, the 6th February, 1924.

The Council met in the Council Chamber at Metcalfe House at Eleven of the Clock, the Honourable the President in the Chair.

DATES FOR PRESENTATION AND DISCUSSION OF THE BUDGET.

THE HONOURABLE THE PRESIDENT There is a Message from the Governor General:

"*For the purposes of sub-section (1) of section 67A of the Government of India Act, and in pursuance of Rules 43, 46 and 47 of the Indian Legislative Rules and of Standing Order 70 of the Council of State Standing Orders, I, Rufus Daniel, Earl of Reading, hereby appoint the following days for the presentation to the Council of State and to the Legislative Assembly of the statement of the estimated annual expenditure and revenue of the Governor General in Council (in the said Rules and Standing Orders referred to as the Budget) and for the subsequent stages of the said Budget in the Council of State and in the Legislative Assembly, namely:—*

Friday, February, the 29th .	*Presentation of the Budget in both Chambers.*
Wednesday and Thursday, March, the 5th and 6th.	*General discussion in the Legislative Assembly.*
Friday, March, the 7th . .	*General discussion in the Council of State.*
Monday to Saturday, March, the 10th to 15th.	*Voting of demands for grants in the Legislative Assembly.*

(*Sd.*) *READING,*
Governor General."

RESOLUTION *RE* KENYA IMMIGRATION BILL.

THE HONOURABLE SIR NARASIMHA SARMA (Member, Education, Health and Lands): Sir, I wish to make a statement in connection with the Resolution on the agenda paper in the name of the Honourable Mr. Phiroze C. Sethna. I have already stated in the Council of State, in answer to questions put to me, that the Government of India pressed strongly upon the Secretary of State the desirability of not proceeding with the Kenya Immigration Bill until the Committee, which we propose to appoint, in pursuance of the discussions in the Imperial Conference, has had an opportunity of meeting and reporting to us and to the Colonial Office. His Majesty's Secretary of State has now wired to us that a decision has been reached that, inasmuch as new drafts have to be prepared, and the Committee that we propose to appoint should be heard, we should proceed to appoint a Committee with the least possible delay.

I therefore take it, Sir, that nothing will be done in the matter of the Immigration Ordinance by the Colonial Office until the Committee which

[Sir Narasimha Sarma.]

we propose to appoint shortly meets in London, discusses the question, negotiates with the Colonial Office on the subject-matter of the Ordinance and gives us and the Secretary of State an opportunity of pressing the views of India upon the Colonial Office and His Majesty's Government. I think, therefore, that the Honourable Mr. Sethna's object has been achieved by the announcement which I am making on behalf of Government.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I thank the Honourable the Government Member in charge for the statement that he has made. So far as I can see, his statement says nothing more than was stated by His Excellency the Viceroy in the speech which he made to the two Houses of the Legislature only six days back. On that occasion His Excellency the Viceroy gave us an indication that the Secretary of State for the Colonies—I mean the new incumbent of the post, Mr. Thomas—would not turn a deaf ear to the representations which would be made by the Committee to be appointed by the Government of India; and I believe His Excellency said that he had an assurance to that effect from the newly appointed Secretary of State. I do not think the Honourable Sir Narasimha Sarma has told us anything beyond that, except that the Government of India will now appoint a Committee and that Committee will be permitted to make representations to the Secretary of State for the Colonies. But my Resolution deals not only with the Immigration Ordinance, but also with the franchise question.

THE HONOURABLE SIR NARASIMHA SARMA: I do not wish to interrupt the Honourable Member, but I may state as a matter of explanation that a telegram, which has now been received from the Secretary of State, puts the matter a little further than what His Excellency the Viceroy was able to state and what I have been able to state in answer to a question. I understand this telegram to mean that nothing will be done in the matter of the Immigration Ordinance until the Committee is in a position to negotiate with the Colonial Office.

THE HONOURABLE MR. PHIROZE C. SETHNA: I quite understand that the Committee will deal with the Ordinance. Am I right in understanding that the Committee will also have the right to represent to the Secretary of State the Indian point of view with regard to the franchise?

THE HONOURABLE SIR NARASIMHA SARMA: It will have the right.

THE HONOURABLE MR. PHIROZE C. SETHNA: I am glad to hear that it will be so, because that is the assurance I desire from Government and on which I would have dwelt in particular in my Resolution. The House will remember that, less than a fortnight back, the newly appointed Secretary for the Colonies, Mr. Thomas, was waited upon by a deputation of Empire Journalists. Of this deputation a prominent member was Sir Stanley Reed, former Editor of the "Times of India"—one who thoroughly understands the Kenya question and who likewise thoroughly understands the feelings of Indians on this particular question. When Sir Stanley Reed interrogated Mr. Thomas, he replied that one of his first difficulties was Kenya; but that "the policy adumbrated in the White Paper was the one most likely to be followed." This statement coming, as it did from a Labour Minister, was most disappointing. It would appear, however, not only from what His Excellency the Viceroy said on the 31st January,

but also from what the Honourable Sir Narasimha Sarma has said to-day, that Mr. Thomas has since changed his views, and rightly so. I hope he will not only give a patient hearing to the Committee but, if he is satisfied that the claims put forward on behalf of India by those who form the Committee to be sent out by the Government of India are fair and just, that he will do his utmost to prevail upon the present Cabinet to undo the wrong which was perpetrated by its predecessor in July 1923. I take it the assurance I have now received from the Member for Education, Health and Lands means that the particular question in regard to the franchise can be re-opened, and this is what I am most anxious about.

We knew of course that the question of the Ordinance was going to be re-opened, because His Excellency the Viceroy said:

"His Majesty's present Minister for the Colonies will await the reply to these inquiries and the revised draft of the Ordinance and will be guided by further information received when these documents are before him. Meanwhile, he has given me the assurance that ample opportunity will be given to my Government to express their views and that he will give his earnest attention to any representations which the Colonies Committee appointed by the Government of India may desire to make regarding the measure, whether in the form of a Bill or an enacted Ordinance."

This refers clearly to the Ordinance in regard to Immigration and not to the franchise. As I interpret the Viceroy's speech, His Excellency himself and his Government on the day that speech was made were certainly lukewarm about the matter of franchise,—in fact I believe His Excellency went so far as to say that we may, at any rate for the present, look upon the franchise question as settled and wait for a favourable opportunity in the future to re-open it.

THE HONOURABLE SIR NARASIMHA SARMA: On a point of order, Sir. I think the Resolution deals only with the Immigration Bill and nothing more. It asks us to delay the progress of the Kenya Immigration Bill through the Kenya Legislature until the Committee has had a say. In answer to a question about franchise, I said that the Committee would have every opportunity of making its representations on the question of franchise. The Franchise Bill has already been passed into law and, therefore, what modifications may be possible is a question which has to be taken up separately and independently. But this Resolution deals with the question of the Immigration Bill, and I do not think, therefore, that the other matter comes directly under discussion to-day.

THE HONOURABLE THE PRESIDENT: The proceeding so far is somewhat irregular in that the Resolution has not been moved; there is no Resolution before the House. The Honourable Member has made a statement; at present the Honourable Mr. Sethna is making some criticisms on that statement. If he moves his Resolution, I shall certainly uphold the Honourable Member on the point of order which he has raised.

THE HONOURABLE MR. PHIROZE C. SETHNA: I may inform the Honourable Member that my Resolution was sent in before I read His Excellency the Viceroy's speech, and I would have asked your permission for modifying my Resolution to some extent. However, I will not pursue the point any further now that I have had a definite assurance from the Honourable Member that both the Ordinance and the franchise questions can be re-opened—an assurance which I am sure will greatly please the country at large. I will request you, Sir, to get me the House's permission to withdraw my Resolution.

THE HONOURABLE THE PRESIDENT: The Honourable Member has not moved his Resolution.

THE HONOURABLE MR. PHIROZE C. SETHNA: Then, Sir, I decide not to move my Resolution.*

RESOLUTION *RE* WITHDRAWAL OF QUARANTINE RESTRICTIONS IMPOSED UPON DECK PASSENGERS PROCEEDING TO THE STRAITS SETTLEMENTS, ETC.

THE HONOURABLE THE PRESIDENT: The Honourable Member (SIR AHMEDTHAMBY MARICAIR) not being present his Resolution† is deemed to be withdrawn.

RESOLUTION *RE* PUBLICATION OF BILLS IN ALL THEIR STAGES ALONG WITH THE COUNCIL DEBATES.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): The Resolution which I propose to place before this House is this:

"This Council recommends to the Governor General in Council to be pleased to arrange to publish along with the Council Debates the original text of every Bill, the Statement of Objects and Reasons thereof, the various amendments moved thereto as also the Reports of the Select Committee thereupon, each in its proper place, with a view to make all the relevant information regarding the Bill permanently available in one convenient form."

As a matter of fact, I need not encroach upon the time of this House by stating any more reasons than are contained in the body of the Resolution itself.

I am aware of the difficulties if this Resolution is passed. The first difficulty would be perhaps the financial difficulty attendant upon the republication of matter that must have already found place in some form or other in officially published documents. I refer to the *Gazette of India*, Part II, in particular, which notifies for the information of the public that the debates which some time before had been published in Part VI of the Gazette would no longer be published in that Part, since the debates were to be published in separate form. I have looked into the debates as they are published and I find that, as a matter of practice and procedure to be observed in the publication of Bills and the discussion in Select Committees, it is very difficult to follow the legislative course in respect of a particular Bill until it reaches the stage of an Act. I find it desirable, therefore, to have all that, if possible, published in one form.

* "This Council recommends to the Governor General in Council that he be pleased to urge on the Secretary of State for the Colonies the urgent necessity of delaying the progress of the Kenya Immigration Bill through the Kenya Legislature until the Committee to be appointed by the Government of India in pursuance of the Resolution of the last Imperial Conference regarding the position of Indians in the British Empire has had opportunities of examining the measure and discussing its provisions with the Colonial Office."

† "This Council recommends to the Governor General in Council that necessary steps be taken with the Government of the Straits Settlements and Federated Malay States to withdraw the quarantine restrictions imposed upon the deck passengers proceeding to those Colonies from Madras and coast ports."

I have alluded to the financial difficulty, and I also notice that there will be the additional trouble which the Department has to undergo in collecting all this information on Bills and enactments. However, I hope and trust that the labour that will be devoted to republishing this information will not be wasted, inasmuch as it would save time to Members of both Houses, and it will avoid contingencies such as have occurred during the debates in the last two days of Members having to request that they must have an ampler opportunity of marking the course of legislation and of getting information in one form. In a case where a Select Committee go into a certain legislative enactment before the final stage, it is desirable for the country to know what the Select Committee have said on a certain measure. At present in the debates we find occasional references to such points raised by the Select Committee as are submitted to discussion in the House, and it is difficult to appreciate the whole trend of the debate as it is. I know further that in certain cases very big Acts come up for publication; take for instance, the Criminal Procedure Code and the Civil Procedure Code, and Acts like that. It is difficult to ask the Department to publish the whole of it in one form simply because some amendment is effected in one section or another. Such instances, however, I trust, are very few. There are Acts and Acts; and some of them are indeed very few. I have found the necessity myself, and I am voicing the opinion of those whom I have consulted in the matter. I cannot speak about the public necessity on the point as yet; but I do feel that it would add to our convenience, if this Resolution, which I have proposed before this House, is carried.

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THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, before dealing with the proposal embodied in this Resolution, I venture to invite the attention of Honourable Members and that of my Honourable friend, the Mover of this Resolution in particular, to the existing practice regarding the printing, distribution and publication of the various documents referred to in this Resolution. Honourable Members are aware that, on the first day, when the Member in charge makes his motion for leave to introduce a Bill, copies of the Bill are placed before all Honourable Members in whichever House that motion may be made. Immediately after, the Bill is published in the *Gazette of India*. Subsequently, when the Bill is referred to a Select Committee and the Select Committee have after due deliberation submitted their report on that Bill, the Report of the Select Committee, together with the copy of the Bill, as revised by them, is again placed before all Honourable Members in whichever House the proceedings may be taking place. Finally, after the House has taken the Bill into consideration and the usual debate has taken place, the Bill in its final shape, as passed by the Indian Legislature, is again published in the *Gazette of India*. Meanwhile, from time to time, as the proceedings in the Legislature go on, the publication, which is called the Legislative Assembly Debates, in so far as the other House is concerned, and the Council of State Debates, in so far as we here are concerned, is being issued immediately after each stage of the proceedings and sent to all Members of both Houses free of cost. It is clear from this statement of the existing practice which I have just made that every Honourable Member in either House is furnished with a copy at various times of all the documents referred to by the Honourable Mr. Karandikar in his Resolution; and it is the easiest possible thing for Honourable Members to stitch these various documents

[Dr. Mian Sir Muhammad Shafi.]

together in their proper order, for purposes of reference after the proceedings in the two Houses have concluded. If any of them does actually refer to these proceedings after the conclusion of the proceedings in the Indian Legislature . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: What about the outsiders if they want to know the relevant proceedings.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I am coming to the outsider presently. Now, the only class of outsiders to whom my Honourable friend Sir Maneckji Dadabhoy can possibly refer is the class to which both he and I and the Honourable Mover of the Resolution belong, that is the legal profession. For so far as I know, after a Bill has been passed by the Indian Legislature, the only class who actually have to refer to these Acts in actual practice are either the profession or the Judges presiding over our Courts. Now, I would like to remind my Honourable friend Sir Maneckji Dadabhoy, as well as the Honourable Mover of the Resolution, that, in so far as all the more important Acts passed by the Indian Legislature are concerned, we have annotated editions of those Acts published by various authors giving in the Appendices to those Acts the proceedings of the Legislature in full.

THE HONOURABLE SIR MANECKJI DADABHOY: They do not contain the Reports of the Select Committees, which is also an essential part of my friend Mr. Karandikar's Resolution.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I venture to submit that my Honourable friend, who, I know, is very busy in undertakings other than those of his own profession, has forgotten that in the case of the more important Acts the Select Committee's Reports are also printed as Appendices to these annotated editions.

Sir, this being the case, I would like to invite the attention of this House to the results which would arise, if the Honourable Mover's Resolution were to be accepted. Now, in the first place, I am sure Honourable Members must have seen for themselves that the types in which Bills, when first introduced, the Reports of the Select Committees and the revised Bills, as amended by the Select Committees, are printed, are entirely different from the types in which the Council debates are printed. Does my Honourable friend mean that these types should remain set up until after the conclusion of all the proceedings through which we have to go in connection with a Bill as it passes through the various stages in the Indian Legislature, and, finally, after the Bill has been passed and placed on our Statute-book, again the Press should undertake the printing of all those documents in the types in which they were originally printed? I am afraid the result of that would be like painting a picture upon different pieces of canvas of different qualities stitched together, a most hideous one. If this is not what is intended by my Honourable friend, does he intend that, after a Bill has passed through its various stages, the Press should set up the whole of these proceedings once again in fresh type suitable for publication, and print all these documents in a book form again? Imagine the amount of labour that would be involved in so far as the Press is concerned, imagine the labour which would have to be undertaken by the Legislative Department, and imagine

the additional cost to the intending purchaser of these volumes. Is my Honourable friend sure that there will be so many purchasers of these volumes so published as to enable us to repay from the proceeds of the sales the expenditure which we shall have to incur on the printing of these volumes? I am afraid that all these are consequences which Honourable Members of this House will have to take into consideration before they can arrive at a correct conclusion with regard to the proposal embodied in this Resolution. As I said before, all this extra labour on the Press branch of the Secretariat and on the Legislative Department, all this increased cost in so far as the Indian taxpayer is concerned, is to be incurred for the benefit of the profession to which we three belong and who can very well afford to purchase more expensive volumes which are published actually by authors of annotated editions if they require all the information that my Honourable friend would like to have and which I too, as a member of that profession, would like to have. It seems to me, Sir, that the proposal embodied in this Resolution is an impossible one, and I hope that my Honourable friend will reconsider his request and withdraw his Resolution.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I am not much enamoured of this Resolution, and I do not propose to support it, but at the same time I would like the Leader of the House to give us some information on the practice prevailing in England.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I am sorry I ought to have mentioned that in my speech. The proposal put forward by my Honourable friend is absolutely unprecedented. There is no precedent for this proposal either in England or anywhere else.

THE HONOURABLE SIR MANECKJI DADABHOY: Am I also to understand that in Parliament there is no practice or procedure adopted for collecting the supplementary information which is suggested in this Resolution in one particular form or book?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Not that I know of.

THE HONOURABLE MR. R. P. KARANDIKAR: Sir, in view of what has fallen from the responsible Government Member, I beg permission to delete from this Resolution the words intervening between " with the Council debates " . . . .

THE HONOURABLE THE PRESIDENT: Is the Honourable Member proposing an amendment to his own Resolution?

THE HONOURABLE MR. R. P. KARANDIKAR: I am not very well conversant with the procedure to be adopted in such debates.

THE HONOURABLE THE PRESIDENT: Then the more usual practice is to get some other Honourable Member to move an amendment. Will the Honourable Member proceed?

THE HONOURABLE SAIYID RAZA ALI: Before the Honourable Member replies, can I say a word or two, Sir?

THE HONOURABLE THE PRESIDENT: The Honourable Member is out of order. His opportunity, as he well knows, arose after the Honourable

[The President.]

Dr. Mian Sir Muhammad Shafi had made his speech. The Honourable Mr. Karandikar is now replying, as far as I understand.

THE HONOURABLE MR. R. P. KARANDIKAR: I am afraid I am not replying to the Resolution, Sir.

THE HONOURABLE THE PRESIDENT: If he is not replying he has no right to make a second speech.

THE HONOURABLE MR. R. P. KARANDIKAR: I suppose, Sir, I am replying now, and while so doing it is permissible to the Member to introduce amendments . . . .

THE HONOURABLE THE PRESIDENT: He is not allowed to move any amendments to his Resolution, at this stage, but he can reply on it.

THE HONOURABLE MR. R. P. KARANDIKAR: If the procedure allows it, can I not do it with the permission of the Chair, Sir?

THE HONOURABLE THE PRESIDENT: I must point out to the Honourable Member that a Member who replies to his Resolution cannot propose amendments. The Honourable Member may speak with reference to the discussions on his Resolution. I have no doubt the Honourable the Law Member will consider any suggestion, but the Honourable Member cannot at this stage move a formal amendment to his Resolution.

THE HONOURABLE MR. R. P. KARANDIKAR: I would rather wish that the Reports of Select Committees be added on to the literature that is published in the Council debates. We do not find those reports along with the debates. The Select Committee Reports may be added on to the debates, and that is the reply which I would urge in reference to this Resolution. If this small request is acceptable, I should be quite content with an assurance to that effect from the Honourable Member in charge.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: We will consider that suggestion.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member wish me to put his Resolution to the House or does he ask leave to withdraw it?

THE HONOURABLE MR. R. P. KARANDIKAR: I wish leave to withdraw it.

THE HONOURABLE THE PRESIDENT: Is it your pleasure that the Honourable Mr. Karandikar have leave to withdraw his Resolution. (*Cries of "Aye, Aye".*) The Resolution is by leave withdrawn.

The Resolution was, by leave of the Council, withdrawn.

THE HONOURABLE THE PRESIDENT: I understand it will not be possible to bring forward any private business to-morrow, and, as there is no Government business, the Council will not meet to-morrow. I therefore adjourn till Monday at 11 A.M.

The Council then adjourned till Eleven of the Clock on Monday, the 11th February, 1924.

COUNCIL OF STATE.

Monday, the 11th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBERS SWORN:

The Honourable M. R. Ry. Ganapati Agraharam Annadhurai Ayyar Natesan Avargal (Madras: Nominated Non-official); and the Honourable Mr. James William Anderson Bell (Bengal Chamber of Commerce).

NOMINATIONS FOR PANELS FOR STANDING COMMITTEES.

THE HONOURABLE THE PRESIDENT: With reference to the announcement I made the other day regarding nominations for Advisory Committees, the following nominations have been received:

For the Home Department:

The Honourable Mr. Phiroze C. Sethna,
The Honourable Sir Zulfiqar Ali Khan,
The Honourable Sir Umar Hayat Khan,
The Honourable Dr. Sir Deva Prasad Sarvadhikary,
The Honourable Saiyid Raza Ali,
The Honourable Sir Maneckji Dadabhoy,
The Honourable Sir Muhammad Rafique,
The Honourable Mr. Lalubhai Samaldas, and
The Honourable Sirdar Charanjit Singh.

For the Commerce Department:

The Honourable Lala Ram Saran Das,
The Honourable Mr. Phiroze C. Sethna,
The Honourable Lala Sukhbir Sinha,
The Honourable Sir Arthur Froom,
The Honourable Sir Maneckji Dadabhoy,
The Honourable Mr. Lalubhai Samaldas, and
The Honourable Haji Chowdhuri Muhammad Ismail Khan.

For the Department of Education, Health and Lands:

The Honourable Sardar Jogendra Singh,
The Honourable Lala Sukhbir Sinha,
The Honourable Mr. Lalubhai Samaldas,
The Honourable Mr. S. Vedamurti,
The Honourable Dr. Sir Deva Prasad Sarvadhikary,
The Honourable Saiyid Raza Ali, and
The Honourable Maharaja Soshi Kanta Acharyya Chaudhuri of Muktagacha, Mymensingh.

For the Department of Industries and Labour:

The Honourable Lala Ram Saran Das,
The Honourable Mr. S. Vedamurti,
The Honourable Sir Maneckji Dadabhoy,
The Honourable Sir Arthur Froom,
The Honourable Sir S. M. Annamalai Chettiyar,
The Honourable Saiyid Raza Ali,
The Honourable Sir Dinshaw Wacha,
The Honourable Dr. Sir Deva Prasad Sarvadhikary, and
The Honourable Mr. Phiroze C. Sethna.

As in all cases, the nominations are in excess of the actual number required, it will be necessary to hold an election, and as forms have got to be printed, that cannot be done till Thursday. The election, therefore, will be held on Thursday. Honourable Members are aware that the election is made by the single transferable vote and they are doubtless familiar with the procedure, which is not the simplest.

QUESTIONS AND ANSWERS.

STAFF OF THE DEPARTMENT OF COMMERCIAL INTELLIGENCE.

52. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state the present strength of the Department of Commercial Intelligence and the salaries of officials connected therewith, and how many of these officials are Indians?

THE HONOURABLE MR. D. T. CHADWICK: The Commercial Intelligence Department consists of 4 gazetted officers, 90 ministerial officers, 8 of whom will come under retrenchment on the 1st March 1924, and 29 menials.

The salaries of the 4 gazetted officers are Rs. 2,600, 1,400, 1,000 and 650, respectively. Two of these officers, namely, the second and fourth, are Indians.

The ministerial staff is practically entirely Indian.

CONTRACTS FOR THE CARRIAGE OF MAILS BY WATER.

53. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) whether they have any contract for the carriage of mail by water, either inland on rivers anywhere in India or as between one port and another;

(*b*) the terms and conditions of such contract, and whether such contract is with a Steamer Company registered in India and controlled by Indians;

(*c*) if the reply to (*b*) is in the negative, whether open tenders were invited for this work when these contracts were given out; and

(*d*) if any contract or contracts are made for a period of 5 years or longer and, if so, the reasons therefor?

THE HONOURABLE MR. A. H. LEY: (*a*) Yes. A list of the principal steamer services employed under contract for the conveyance of mails will be found at pages 80 to 82 of the Annual Report on the Posts and Telegraphs of India for the year 1922-23. The contract with the British India Steam Navigation Company expired on the 31st January 1924, and negotiations for a fresh contract are now in progress.

(*b*) The list referred to above shows the main conditions of the contracts. The British India Steam Navigation Company is registered in the United Kingdom, and is not controlled by Indians. Complete information regarding the remaining companies is not at present available, but will be obtained and supplied to the Honourable Member.

(*c*) and (*d*). The old contract (now expired) with the British India Steam Navigation Company was for a period of ten years, and was extended for one year. For the new contract tenders were invited by public advertisement, but only one tender has been received, and this tender is now under the consideration of Government. Information regarding the other companies is not immediately available, but will be obtained and supplied to the Honourable Member as soon as possible.

BRITISH CONSULS.

54. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) what arrangements exist for securing commercial and other information relating to foreign countries and markets abroad;

(*b*) what money contribution, if any, they make to the Consular Service maintained by England in various countries;

(*c*) what protection are British Consuls expected to give to Indians who need such protection, assistance and guidance in the territory under their charge; and

(*d*) if they will be pleased to lay on the table any correspondence that may have taken place with the Secretary of State at any time on this question and the nature of the obligation which the Secretary of State has incurred with the knowledge and sanction of the Cabinet towards Indians abroad on the part of British Consuls?

THE HONOURABLE MR. J. P. THOMPSON: (*a*) The Government of India are allowed, free of cost, to utilise the services of His Majesty's Trade Commissioners appointed within the Empire, the duties of Trade Commissioners being *inter alia* to reply to commercial inquiries and notify changes in customs tariffs or other regulations affecting trade.

The Director General of Commercial Intelligence is also permitted to correspond direct with Consular Officers in the Far East owing to the saving of time involved. Commercial information relating to European countries is obtained from the Department of Overseas Trade, London, through the India Office or through the Indian Trade Commissioner according to the nature of the inquiries.

At the last Imperial Conference His Majesty's Government offered to make arrangements under which the services of Commercial Diplomatic officers outside Europe and of the Senior Consular Officers in countries outside Europe where there are no Commercial Diplomatic officers would be placed at the disposal of the Government of India, in the same way as the services of His Majesty's Trade Commissioners are already at their disposal.

The Governments of the Dominions which have appointed Trade Commissioners in countries overseas offered also to make similar arrangements for the utilisation of those officers by Governments of other parts of the Empire.

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

(*c*) The duties of British Consuls in regard to the protection, assistance and guidance to be rendered to British subjects who are in need of them are laid down in Chapters XXII, XXIII and XXIV of the Consular Instructions, copies of the relevant portions of which are laid on the Table.

These instructions apply to all British subjects including Indians and British protected persons.

(*d*) As regards correspondence the Honourable Member is referred to the Report of the Welby Commission published in 1900. There appears to have been no further correspondence since then till that now in progress between the Government of India and the Secretary of State on the subject of India's share in Consular and diplomatic expenditure in Persia. This cannot be published without the consent of His Majesty's Government.

The nature of the obligation incurred by the Secretary of State which the Honourable Member appears to have in mind is indicated by the extracts from the Consular Instructions which have been laid upon the table.

CHAPTER XXII.

ADVICE TO BRITISH SUBJECTS.—CLAIMS.

Part I.—Assistance and Advice to British Subjects.

General duty as to advice and assistance.—1. A Consular officer should give his best advice and assistance to His Majesty's subjects trading in, residing in, or visiting his district, and should do his utmost to avert and arrange differences among them, or between them and the natives of the country.

Maintenance of rightful interests.—2. If British subjects suffer injury, or are likely to suffer injury, either in their persons or property, the Consular officer must uphold rightful interests and privileges, secured by treaty, by due representations in the proper official quarter, made in the manner prescribed by these instructions. He must be temperate and judicious in such representations.

Reference to Diplomatic representative.—3. If redress cannot be obtained from the local authorities, or if the matter of complaint be not within their jurisdiction, the case must be referred to His Majesty's Diplomatic representative.

Answers to private inquiries.—4. A Consular officer should reply to the best of his ability to inquiries addressed to him by British subjects, and also by other persons where such inquiries can properly be answered by him in his official capacity. He must in any case acknowledge as soon as possible the receipt of all letters addressed to him in that capacity. It is, however, no part of his official duty to give opinions or to furnish confidential information as to the respectability, private character, or solvency of individuals or firms.

CHAPTER XXIII.

Repatriation of Distressed British Subjects.

Necessity of circumspection.—1. The greatest circumspection is required in dealing with the relief of distressed British subjects at the public expense. Such relief should be afforded only in cases of proved necessity. It should be refused to persons who make a profession of begging; their stories must be carefully examined and tested.

Proof of nationality indispensable.—Applicants for relief must be required to give reasonable proof that they are British subjects.

Ordinary extent of relief.—2. The primary object with which relief should be afforded is to enable distressed persons to return to the United Kingdom. It should not, as a rule, be granted when they desire merely to remove from one place abroad to another place abroad.

When they are sent home their journeys should be paid, at the cheapest rate, to some port in England. As they become chargeable to a parish immediately on their landing in England their expenses are not paid beyond the port of arrival. A through ticket to London can sometimes be obtained at a smaller cost than to the port of arrival. Advantage should, of course, be taken of this facility in the cases of persons born in London.

Money should not be handed to them, except in very small amounts, sufficient to provide food on the way.

No charge for luggage is admissible, unless in peculiar circumstances.

In exceptional cases where there is no direct communication with the United Kingdom, or where the adoption of a circuitous route would result in economy, a Consular officer is permitted to send distressed British subjects to some intermediate Consular port, but he should in each instance be careful to advise the officer at such port of their arrival, and explain his reasons for having sent them. No money must be given to them in anticipation of expenditure at the intermediate port.

* * * * * *

Relief of Colonial subjects.—6. As a general rule no payments are made by Consular officers on account of British Colonial subjects except under authority from the Governor of the Colony to which such persons belong, and the officer must therefore apply to the Colonial authorities before giving relief.

Exceptions to this rule exist as regards certain British Colonies, where the Local Governments have accepted the responsibility of repaying expenses incurred on behalf of distressed natives. India also comes within this category.

The conditions upon which natives of such Colonies, the Channel Islands and India, may be repatriated at the public expense are set forth below under separate heads, and Consular officers must be careful to see that these conditions are fulfilled before relief is granted.

Reimbursement.—Reimbursement of payments on account of Colonial subjects must be claimed from the Colonial Governments.

India.

British Indian subjects can be relieved under the following conditions :—

A Consular officer must in every case, before incurring any expense as regards the provision of a passage to India, communicate either direct with the Government of India, or, through the Foreign Office with the Secretary of State for India, whichever may be most convenient, in order to obtain the necessary authority for the expenditure.

When authority has been granted, an undertaking should be required from the applicant that he or she will return at once to India. The applicant should then be provided, if there be direct communication by sea with India from any port in the Consular district, with the cheapest direct passage. If there should be no direct communication, the applicant should be forwarded to the nearest Consulate on the direct route to India, whence he should be despatched with the least possible delay.

Reasonable expenditure incurred in either case will be defrayed out of the revenues of India. Expenditure in assisting Indians to pass from one port to another, except under the conditions above stated, will not be allowed.

When it appears to the Consular officer necessary to telegraph for instructions, the telegram should be addressed to the Secretary of State for India through the Foreign Office, or to the Government of India, as may be found most economical.

Reasonable proof must in every instance be given to the Secretary of State or the Government of India as to the nationality of the person relieved, and a full report must be furnished detailing the steps taken by the Consular officer, and giving satisfactory evidence that he has taken all the precautions prescribed in this Chapter relating to the relief of distressed British subjects.

It must be distinctly understood that no authority is given to Consular officers to afford temporary relief in the way of maintenance without previous sanction except in cases where, in the exercise of their discretion, such relief appears to be absolutely necessary, and where the withholding of it would result in the death of the distressed person.

In the term " British Indian subjects " natives of Ceylon, the Straits Settlements, Mauritius, or of any other country not under the administration of the Government of India, are not included. Care must consequently be taken to ascertain precisely the nationality of claimants.

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CHAPTER XXIV.

CARE OF PROPERTY OF BRITISH SUBJECTS AND OF DECEASED BRITISH SUBJECTS.

Acceptance of sums for which Government is responsible.—1. A Consular officer is bound to accept sums on the following accounts, for which His Majesty's Government hold themselves responsible :—

(*a*) Wages of seamen and other moneys to be accounted for to the Board of Trade, which are paid to him in accordance with the Merchant Shipping Acts, including the estates of deceased seamen;

(*b*) Sums deposited in exchange for money orders at ports at which the money order system exists;

(*c*) Sums and other effects received by him in respect of the estates of deceased British subjects to which he is administering, in accordance with the instructions of the Secretary of State, in the absence of representatives competent to administer to them.

* * * * * *

THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state if they have received any complaints with regard to assistance being asked for by Indian subjects from British Consuls and the same being denied to them?

THE HONOURABLE MR. J. P. THOMPSON: I will have inquiries made and let the Honourable Member have the information he asks for.

MILITARY COLLEGES.

55. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) how many military colleges there are in India;

(*b*) how many Indians are taking advantage of the facilities granted; and

(*c*) for what careers the training is being given?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I assume that the Honourable Member has in mind institutions at which candidates are prepared for an army career and does not require information regarding the many instructional institutions which exist within the Army for the purpose, amongst other things, of qualifying officers and men for promotion. On the assumption which I have made, the reply to his question is as follows:—

(*a*) The only institution in India at which candidates receive a preliminary training for a military career is the Prince of Wales' Royal Indian Military College, Dehra Dun.

(*b*) At present there are 70 Indian cadets at this College.

(*c*) The training is designed primarily to enable Indian cadets to qualify for King's Commissions in the army.

PURCHASE OF STORES IN THE UNITED KINGDOM AND INDIA.

56. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what was the total amount of material purchased in the United Kingdom during 1922-23 on behalf of Government, including State Railways, and what was the total amount of materials purchased in India of Indian origin for the same purpose?

THE HONOURABLE MR. A. H. LEY: The expenditure on (*a*) stores of Indian origin and (*b*) stores purchased through the High Commissioner by the Central Government including State Railways and minor Local Governments during 1922-23 was as under:—

(*a*) Stores of Indian origin	...	Rs. 6,61,12,424
(*b*) Stores purchased through the High Commissioner	... ...	£6,109,000

The figures at (*a*) do not include (1) purchases of articles of the same kind and of an aggregate value not exceeding Rs. 50 at one time and place, (2) purchases made by contractors for Government stores, (3) purchases invariably made in India such as bricks, Indian lime and mortar, Indian timber, etc., (4) purchases made by or on behalf of the military authorities other than textile goods obtained through the Indian Stores Department.

DEMOBILISED OFFICERS.

57. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) the total amount paid during the year 1922-23 to officers of the Army who retired or were demobilised by way of gratuity, allowance, passage money to themselves, their families and payment of equipment or of any other kind;

(*b*) also the total number of officers who have received such sums?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) During the financial year 1922-23, a sum of Rs. 2,20,13,237 was paid on account of salary, gratuity, passages, etc., to surplus officers who were retired or demobilised.

(*b*) The total number of such officers who retired or were demobilised during 1922-23 was 1,532.

RETIREMENT OF OFFICERS IN THE SUPERIOR SERVICES ON PROPORTIONATE PENSIONS.

58. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(i) the number of officers in the Superior Services who in each year from the date of the inauguration of the Reforms up to 31st December 1923 offered to resign by availing themselves of the privilege of retiring on proportionate pension and subsequently withdrew their resignations; and

(ii) how much longer it is intended to extend the privilege to officers to retire on proportionate pension?

THE HONOURABLE MR. J. CRERAR: (*a*) A statement containing such information as is in the possession of Government is laid on the table.

(*b*) The privilege of retiring on proportionate pension has been extended until the action proposed to be taken on the Report of the Parliamentary Commission provided for by the Government of India Act is known, when the whole position will necessarily be reviewed.

Statement showing number of officers in the Superior Services who, year by year, since the inauguration of the Reforms and up to the 31st December 1923, applied to retire on proportionate pension and subsequently withdrew their applications.

Service.	Number in 1921.	Number in 1922.	Number in 1923.	GRAND TOTAL.
Indian Veterinary Service	...	1	...	1
Indian Forest Service	...	1	...	1
Indian Police Service	...	2	15	17
Indian Civil Service	...	4	...	4
Indian Service of Engineers	...	2	1	3
TOTAL .		10	16	26

CONSULTING ENGINEERS TO THE INDIA OFFICE.

59. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to give—

(*a*) the names of firms of Consulting Engineers engaged by the India Office for Railway, Naval and other purposes with the remuneration earned by each of these firms during the year 1922-23; and

(*b*) against each such name the remuneration earned by firms or any individual members thereof by way of fees from Local Governments and local and statutory bodies in India?

THE HONOURABLE MR. A. H. LEY: (*a*) The Consulting Engineers to the Secretary of State for India and the High Commissioner for India are Messrs. Rendel, Palmer and Tritton. The Naval Architects are Sir John Biles and Company. Final figures showing the remuneration earned by the Consulting Engineers and the Naval Architects during the year 1922-23

are not available to the Government of India, but the estimated payments for that year were to the Consulting Engineers £25,000, and to the Naval Architects £11,000.

(*b*) Local Governments and local bodies in India do not pay fees direct to the Consulting Engineers or to the Naval Architects. The payments mentioned in the answer to part (*a*), constitute the whole of the remuneration paid to the Consulting Engineers and the Naval Architects for work done both for the Central and for the Provincial Governments. The share of the Provincial Governments is recovered by means of the ordinary percentage charges made by the London Store Department on purchases made for them.

THE HONOURABLE MR. PHIROZE C. SETHNA: The name of Sir John Biles and Company was mentioned as expert Naval Architects. May I know if the head of the firm, Sir John Biles, who is now serving on the Indian Marine Committee, is getting anything in addition to the fees which the Government paid him as their expert at Home, and if so, what?

THE HONOURABLE MR. D. T. CHADWICK: As far as I remember, Sir, Sir John Biles is getting his daily allowance and travelling allowance like every other Member of the Indian Mercantile Marine Committee. In addition to that he gets, I think, an honorarium of £1,500. I am not quite certain about that. He has given up entirely over eleven months of his working time to the work of this Committee.

COINAGE OF SOVEREIGNS AT THE BOMBAY MINT.

60. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) what arrangement they have made for the coinage of gold sovereigns at the Mint in Bombay;

(*b*) if they are aware that considerable sentiment exists on this question since the days of the late Mr. Gokhale;

(*c*) if it is true that the gold produced in India is being refined at the Mint in Bombay and is then exported in the form of bullion instead of being made available to the bullion market of this country; and

(*d*) whether any arrangement exists between the Kolar Gold Mines and the Bank of England in this connection and, if so, what are the conditions?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) The Honourable Member is referred to the reply given to a question on the same subject put by the Honourable Lala Sukhbir Sinha on the 30th January last.

(*b*) Yes. The Government are aware that such sentiment has existed and still exists in certain quarters.

(*c*) The Kolar Gold mines send their outturn to the Bombay Mint to be refined as they require the Mint's Assay mark. The gold is then disposed of by the Mines through their Agents in Bombay. The question whether the gold is sold locally to the bazar or shipped abroad is naturally one of relative prices. The Government understand that the last occasion on which any of this gold was shipped abroad was in December 1921.

(*d*) The Government understand that the arrangement referred to terminated before the year 1920.

THE HONOURABLE MR. PHIROZE C. SETHNA: Am I right in understanding that the Indian gold is available to the bullion market in India if prices permit?

THE HONOURABLE MR. A. C. McWATTERS: Yes.

CREATION OF NEW POSTS FROM THE TIME OF LORD CURZON'S VICEROYALTY UP TO THE 31ST DECEMBER 1923.

61. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) how many new posts were created with the Government of India from the time of the Viceroyalty of Lord Curzon and since up to 31st December 1923, carrying salaries of more than Rs. 1,000;

(*b*) which of these posts were abolished afterwards; and

(*c*) which have the Inchcape Committee recommended for abolition?

THE HONOURABLE MR. J. CRERAR: The period mentioned by the Honourable Member would comprise the wholly abnormal period of the war and he will doubtless recognize that the information he asks for, the compilation of which would involve an extremely heavy expenditure of time and labour, would have little practical value in its bearing on present conditions.

If the Honourable Member will specify the posts he has particularly in mind, I shall be glad to inquire further.

EXPENDITURE ON CABLES EXCHANGED BETWEEN THE GOVERNMENT OF INDIA AND THE INDIA OFFICE.

62. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state the amount of cable charges paid by Government in connection with the cables exchanged by the Government of India and the India Office during 1922-23?

THE HONOURABLE MR. A. H. LEY: I regret that the information required is not readily available. Particulars are being collected and will be furnished to the Honourable Member in due course.

THE HONOURABLE MR. PHIROZE C. SETHNA: When the particulars are submitted, will it be possible to show separately the cost of the telegrams sent personally by His Excellency the Viceroy to the Secretary of State for India.

THE HONOURABLE MR. A. H. LEY: I will make inquiries on that point. I cannot answer off-hand.

EMOLUMENTS OF THE SUPERIOR SERVICES EMPLOYED UNDER PROVINCIAL GOVERNMENTS.

63. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) if the Provincial Governments can increase the salary, emoluments and allowances of any member of the Superior Services working under them;

(*b*) if the reply to (*a*) is in the affirmative, can any Provincial Government also reduce the salary, emoluments and allowances of the members of the Superior Services holding a covenant from the Secretary of State;

(*c*) in what province or provinces and by how much and in the case of how many officers have such increases, if any, been given; and

(*d*) if any of the Provincial Governments have given any increases even after the appointment of the Public Services Commission now sitting and since 1st October 1923?

THE HONOURABLE MR. A. C. McWATTERS: If by "Superior Services" the Honourable Member means the all-India Service, the powers of Provincial Governments are limited to the grant of compensatory allowances. Compensatory allowances are allowances granted to meet personal expenditure necessitated by the special circumstances in which duty is performed and the grant of them is limited by the condition that they must not be on the whole a source of profit to the recipient.

Government are not aware to what extent Provincial Governments have exercised this power.

EXCESS EXPENDITURE ON THE NEW CAPITAL WORKS, DELHI.

64. THE HONOURABLE MR. S. VEDAMURTI: Is it a fact that, during the last inspection of the stoneyard of the New Capital works by the Financial Assistant, it was found that an excess expenditure of nearly three lakhs was incurred? If so—

(*a*) on whose authority was it incurred;

(*b*) how is it being adjusted;

(*c*) who was responsible for incurring it; and

(*d*) will Government be pleased to state whether there are reasons why the auditing of these accounts should not be done by the Accountant General as in the other Provinces?

THE HONOURABLE MR. A. H. LEY: (*a*), (*b*) and (*c*). No excess expenditure was incurred. There was, however, an unadjusted balance due to overburden at quarries being greater than provided for in the issue rates, and secondly, to depreciation of value of balances made under the orders of the Chief Engineer to accord with market rates. The difference is being adjusted *pro rata* on the works concerned.

(*d*) The accounts are audited by the Deputy Accountant General, Central Revenues, Delhi.

THE HONOURABLE MR. S. VEDAMURTI: What was the amount?

THE HONOURABLE MR. A. H. LEY: I cannot tell you the amount. It will not be known until the final accounts are completed.

EXECUTIVE ENGINEERS OF THE III AND X DIVISIONS, DELHI PUBLIC WORKS DEPARTMENT.

65. THE HONOURABLE MR. S. VEDAMURTI: (*a*) Is it a fact that the work of the Executive Engineer of III Division, who is on leave, is being carried on since nine months by the Executive Engineer, X Division, with a duty allowance of Rs. 400 a month?

(*b*) If so, will Government be pleased to state whether there are reasons why both these divisions could not be amalgamated as was done recently in the case of Divisions II and IV?

THE HONOURABLE MR. A. H. LEY: (*a*) Yes.

(*b*) The III and X Divisions could not be amalgamated because the character and quantity of the work did not permit of it.

THE HONOURABLE MR. S. VEDAMURTI: Is it not possible to have them amalgamated?

THE HONOURABLE MR. A. H. LEY: Not altogether. What has happened is that a portion of the work in one of these divisions has been allotted to another and a new charge has been created. That has just recently been done.

THE HONOURABLE MR. S. VEDAMURTI: Could it not have been done ten months ago, thus saving Rs. 4,000?

THE HONOURABLE MR. A. H. LEY: No.

EXPENDITURE ON THE EASTERN AND WESTERN HOSTELS, RAISINA.

66. THE HONOURABLE MR. S. VEDAMURTI: (*a*) What was the cost, estimated and actual, of construction of the Eastern and Western Hostels, Delhi? Is it a fact that a sum of Rs. 75,000 was incurred by the Works Assistant in excess of his own estimate?

(*b*) What action, if any, was taken against him?

THE HONOURABLE MR. A. H. LEY: (*a*) The estimated cost of the Hostels was Rs. 14,46,010 and the actual expenditure against this was Rs. 19,85,426. Of the total excess of Rs. 5,39,416, and excess of Rs. 3,18,000 was anticipated before the work was put in hand and was provided elsewhere. The statement in the second part of this question is not correct.

(*b*) Does not arise.

SUB-DIVISIONS OF THE DELHI PUBLIC WORKS DEPARTMENT.

67. THE HONOURABLE MR. S. VEDAMURTI: (*a*) How many Sub-divisions are there in the Delhi Public Works Department?

(*b*) How many of the officers, who man the Sub-divisions, are qualified?

(*c*) What is the expenditure incurred in each such Sub-division?

(*d*) How many of the officers, who man the Sub-divisions, are unqualified and what is the expenditure in each such Sub-division?

(*e*) How many qualified Engineers are there who are not in charge of Sub-divisions?

(*f*) What is the expenditure incurred as Sub-division allowances by the appointment of subordinates to Sub-divisional charges?

(*g*) Will Government be pleased to state whether there are reasons why unqualified men are placed in charge of Sub-divisions when qualified men are available for the same pay?

(*h*) What proportion do the Sub-divisions under the charge of subordinates bear to the total number of Sub-divisions?

(*i*) How far is that proportion in accordance with the Public Works Department Reorganisation Committee's Report?

(*j*) What is the amount of Sub-division allowances paid to the subordinates annually?

(*k*) Will the Government consider the advisability of entertaining qualified Engineers for Sub-division charges?

THE HONOURABLE MR. A. H. LEY: (*a*) 24.

(*b*) Twenty-two of these have passed Engineering examinations of one kind or another. Two, one a Hindu and one a Muhammadan, are qualified by practical experience.

(*c*) The information is not available, as the expenditure is not booked by Sub-divisions.

(*d*) See the answers to (*b*) and (*c*) above.

(*e*) Six.

(*f*) Rs. 10,800 per annum.

(*g*) No men are in charge of Sub-divisions who are unqualified to hold charge.

(*h*) 50 per cent.

(*i*) The Public Works Department Reorganisation Committee made no specific recommendation in this matter.

(*j*) See my reply to (*f*) above.

(*k*) Government already do so.

DIVISIONS OF THE DELHI PUBLIC WORKS DEPARTMENT.

68. THE HONOURABLE MR. S. VEDAMURTI: How many Divisions are there in the Delhi Public Works Department? How many of these are under the charge of temporary Engineers and how many under permanent?

THE HONOURABLE MR. A. H. LEY: Ten Divisions. Seven are under the charge of permanent officers and three under temporary officers.

THE HONOURABLE MR. S. VEDAMURTI: What is the principle underlying the creation of the new divisions? Is it done as a matter of necessity or is it done simply as a provision for officers?

THE HONOURABLE MR. A. H. LEY: I do not think, Sir, that that question arises either out of the original question or of the answer that I have given.

OFFICERS IN THE DELHI PUBLIC WORKS DEPARTMENT.

69. THE HONOURABLE MR. S. VEDAMURTI: (*a*) Will the Government be pleased to state the number of officers, both Imperial and Provincial, in the Delhi Public Works Department and the amount of deputation allowances paid annually?

(*b*) What is the necessity for importing provincial men when persons with English and Indian qualifications are available for employment?

(*c*) Will the Government consider the question of reverting these men during the next financial year with a view to reduce the expenditure on the Delhi works?

(*d*) Will the Government be pleased to state why deputation allowances are given to the Indian Service Engineers when they are recruited on an all-India basis?

THE HONOURABLE MR. A. H. LEY: (*a*) Twenty officers are on deputation to Delhi, of whom two are at present on leave, preparatory to retirement. Excluding the two officers on leave, the amount paid annually in deputation allowances* is Rs. 25,656.

(*b*) Officers with the necessary qualifications and practical experience were not available except from the provinces, when the project was started.

(*c*) It is not proposed to revert the officers employed on the project until the reduction of work permits of it. There would be no reduction of expenditure but on the other hand an increase, as suitable persons could not be obtained in purely temporary appointments at the same cost as is now incurred.

(*d*) The allowance (now called special pay), was sanctioned by the Secretary of State on the principal ground that the establishment would be required to work at very considerable pressure and in strenuous circumstances, if the project was to be carried out within a reasonable time.

THE HONOURABLE MR. S. VEDAMURTI: Are they not all recruited on an all-India basis?

THE HONOURABLE MR. A. H. LEY: No, not all of them by any means.

COMMISSION ON BRITISH POSTAL ORDERS.

70. THE HONOURABLE MR. S. VEDAMURTI: Will the Government be pleased to state the reason why the commission on British postal orders is less than inland money order rates?

THE HONOURABLE MR. A. H. LEY: The reason is that the services rendered by the Post Office in return for the commission payable on an inland money order are far greater than those rendered in return for the poundage on a British Postal Order.

The Indian Post Office has to carry an inland money order to destination, pay it at the house of the payee, convey back the payee's acknowledgment and deliver the latter to the remitter. A British postal order, on the other hand, has to be sent by post by the purchaser himself. The intended payee or his agent must attend at the post office to cash the order and, if it is desired to convey to the purchaser an acknowledgment of receipt of the order, the payee has to send a separate communication to the purchaser by post.

STREET LIGHTING OF INDIAN AND EUROPEAN QUARTERS, RAISINA.

71. THE HONOURABLE MR. S. VEDAMURTI: Will the Government state the reason why there should be any differentiation between quarters occupied by Indians and Europeans in the matter of street lighting?

THE HONOURABLE MR. A. H. LEY: I should explain that there is no distinction between Indian and European quarters as such. There is a distinction between orthodox and unorthodox quarters. As it happens, a certain proportion of the orthodox quarters are situated in an area where the through traffic is not expected to be heavy, where the lighting scale has not yet been completed and where the cables are overhead and not underground. The occupation of the houses has nothing whatever to do with the street lighting, which is determined by the amount of traffic anticipated.

*Now known as special pay.

THE HONOURABLE MR. S. VEDAMURTI: Is it not a fact that there is no provision for light between Pahargunj and Ibbetson Road which is a main thoroughfare and which has a dangerous corner?

THE HONOURABLE MR. A. H. LEY: I should like to have notice of that question. I am not aware of the exact locality to which the Honourable Member refers.

FINANCIAL ASSISTANT TO THE CHIEF ENGINEER, DELHI.

72. THE HONOURABLE MR. S. VEDAMURTI: (*a*) What are the duties of the Financial Assistant attached to the Chief Engineer of the Delhi Public Works Department?

(*b*) Is he an inspection officer of the Divisional Accounts? If so, why is the same duty done by the Deputy Accountant General, Central Revenues?

THE HONOURABLE MR. A. H. LEY: (*a*) To supervise, generally, the correct booking of expenditure, and to see that executive orders of the local Administration and the Chief Engineer are observed; to advise Superintending Engineers in the Central Office on financial and account questions, and to make all Central Office disbursements.

(*b*) He is not an inspection officer of the Divisional Accounts. The duties of the Deputy Accountant-General, Central Revenues, are audit duties and of an obviously different character.

REDUCTION OF THE STAFF OF THE DELHI PUBLIC WORKS DEPARTMENT.

73. THE HONOURABLE MR. S. VEDAMURTI: What is the reduction proposed in the staff of the Delhi Public Works Department, clerical and executive?

THE HONOURABLE MR. A. H. LEY: There has already been a certain reduction in the establishment in 1923-24, and a further reduction in cost of Rs. 1,62,000 is being budgeted for in 1924-25.

FINANCIAL ADVISERS.

74. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Will the Government be pleased to state what Departments of the Government of India have Financial Advisers attached to them?

(*b*) Are these appointments made by the Departments themselves or by the Financial Department?

(*c*) If in any Department the Department itself makes the appointment, what control or check has the Finance Department on the work of the Financial Adviser?

(*d*) How in such event can he be looked upon as a representative of the Finance Department?

(*e*) Would the Government please state what has been the financial and administrative improvement in these departments since the appointments were made?

(*f*) Would the Government please state what the relation of the officer in question is in each Department with (1) the Department itself, (2) the Financial Department, (3) the Audit and the Accounts Department?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) There are two officers with this designation—the Financial Adviser, Military Finance, and the Financial Adviser, Posts and Telegraphs.

(*b*) Appointments to the posts of Financial Adviser are made by the Governor General on the advice of the Finance Department.

(*c*) and (*d*). These questions do not arise. The officers are representatives of the Finance Department and are borne on the list of officers of the Finance Department.

(*e*) It is impossible to give the results of the creation of these appointments in the form of a statement of facts and figures. From the financial point of view the deputation of special officers to these two important Departments has resulted in a much closer control over their expenditure and a better organisation of their finances. From the administrative point of view the main advantages are the more speedy disposal of business and more harmonious relations between the administrative and financial Departments.

(*f*) (1) The Financial Adviser, Military Finance, is the adviser in financial matters of His Excellency the Commander-in-Chief and Army Member. The Financial Adviser, Posts and Telegraphs, stands in a similar relation to the Director-General, Posts and Telegraphs and also advises the Department of Industries and Labour on financial questions affecting Posts and Telegraphs and certain other subjects.

(2) The Financial Advisers are the representatives of the Finance Department in matters arising in the Departments to which they are attached. They have free access to the Finance Member of the Governor General's Executive Council and the right to submit to him any case they think fit.

(3) The Financial Adviser, Posts and Telegraphs, has no direct relations with the Audit and Accounts Department. The Financial Adviser, Military Finance, administers the Military Accounts Department, but in matters relating to audit the officers of that Department are required to obey the directions of the Auditor-General.

Besides the two Financial Advisers there is a Financial Commissioner for Railways. This officer is a member of the Railway Board, but his position is analogous to that of the Financial Advisers. He is the representative of the Finance Department on the Board, and he has free access to the Honourable the Finance Member and the right to submit to him any case he thinks fit.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: With regard to the Financial Commissioner in the Railway Department mentioned by the Honourable Member in his answer I gather from the answer that he discharges his duties in two capacities, one as a member of the Railway Board and another as a representative of the Finance Department. How does he reconcile duties in these two capacities and discharge them loyally to the two departments concerned.

THE HONOURABLE MR. D. T. CHADWICK: So far no difficulty has arisen in practice in reconciling these two capacities.

SEPARATION OF RAILWAY FINANCE FROM GENERAL FINANCE.

75. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Would the Government please state whether it is in contemplation to separate Railway Finances from General Finances?

(*b*) If the answer to the question be in the affirmative, would the Government be pleased to state when and in what shape the matter will be taken up and what advantages, financial or otherwise, are expected to be derived from the change?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) Yes.

(*b*) The scheme for separation will, I hope, be placed before the Legislative Assembly in the course of the present Session with a full exposition of the various advantages expected to be derived from it. I would, however, refer the Honourable Member to Chapter III of the report of the Indian Railway Committee (1921) in which many of the disadvantages of the present system and advantages of separation are made apparent.

BRINE SALT.

76. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) how many Bengal maunds of brine salt are produced at various places and at what cost and at which stations;

(*b*) what is the capital spent at each of such stations where salt is produced from brine; and

(*c*) what is the cost of manufacturing such salt from brine at these places:—

(i) with cost of interest and sinking fund on the capital spent; and

(ii) without cost of interest and sinking fund on the capital spent?

THE HONOURABLE MR. A. C. McWATTERS: (*a*), (*b*) and (*c*). Brine salt is produced at Sambhar, Didwana and Pachbhadra in Rajputana (under the control of the Northern India Salt Revenue Department); Maurypur, Dawari and Saran in Sind; Kharaghoda, Udu, Dharasana and Chharwala in Bombay; and in various scattered districts in Madras and Burma.

The other information required by the Honourable Member, so far as it is available, will be found in the Administration Reports concerned, namely, those of the Northern India Salt Revenue Department and of the Salt Departments in the various provinces. Copies of these reports are in the Library.

IMPORTATION OF SALT.

77. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to make a statement showing what quantities of salt are imported and from what places and to which ports in India?

THE HONOURABLE MR. A. C. McWATTERS: The Honourable Member will find the information he desires in the "Accounts relating to the Seaborne Trade and Navigation of British India", copies of which are in the Library.

THE HONOURABLE MR. PHIROZE C. SETHNA: The Honourable Member has obliged me with a copy from which I see that the shares of the different provinces are shown province by province. May I ask the Honourable Member if it would be possible to show them port by port?

THE HONOURABLE MR. D. T. CHADWICK: If I may be allowed to answer that supplementary question, I will point out that in all our returns of sea-borne trade for every article figures of imports and exports have always been shewn province by province which is really the most useful distribution. The adoption of the suggestion of the Honourable Member would mean either recasting or largely elaborating these returns. As a matter of fact the figures do indicate largely the trade of the different ports, because in each province there is as a rule only one large port. Particulars of the imports by ports may be obtained from the provincial volumes.

LIABILITY OF INDIAN TEA COMPANIES TO INCOME-TAX AND SUPER-TAX.

78. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) since when Indian Tea Companies have been made chargeable to Income Tax;

(*b*) what was the amount of Income-tax and Super-tax collected from them in each year since then; and

(*c*) why were they not made liable to the tax earlier?

THE HONOURABLE MR. A. C. McWATTERS: Tea companies were not assessed under the Income-tax Act, 1886, as the Government of India were advised that they were not legally liable to income-tax under that Act. When it was decided to tax them under the Income-tax Act, 1918, the question of the liability of tea companies to income-tax was referred at the request of those concerned to the High Court, Calcutta, under section 51 of the Act. The High Court decided in 1920 that the profits from tea were partly agricultural and partly non-agricultural, and that tax could only be levied on that portion of their profits which was non-agricultural. It took some time to work out with the representatives of the tea industry what proportion of its profits could be held to be non-agricultural, and it was not until October 1922 that a rule was finally issued under the Income-tax Act, 1922, prescribing that 25 per cent. of the income derived from the sale of tea grown and manufactured by the seller should be deemed to be derived from business. Tea companies were thus assessed for the first time in the year 1922-23. Government do not know what sums were collected on account of Income-tax and Super-tax from the various tea companies in that year, but the information has been called for and will be supplied to the Honourable Member in due course.

COLLECTION OF INCOME-TAX FROM INDIGO, SHELLAC AND SILK FACTORIES.

79. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state the amount of Income-tax collected respectively from indigo, shellac and silk factories in each of the five years ending 1922-23?

THE HONOURABLE MR. A. C. McWATTERS: Indigo factories also were held not to be liable to tax under the Income-tax Act of 1886 and have been specially exempted from the payment of Income-tax till the 31st March 1925. Government do not know what sums were collected on account of income-tax from shellac and silk factories, but information has

been called for and will be supplied to the Honourable Member in due course.

SEA-BORNE COAL TRAFFIC.

80. THE HONOURABLE LALA RAM SARAN DAS: Will Government kindly state what was the amount of Indian coal carried by sea for Indian State and other Railways and the Indian Marine in 1913-14, 1918-19, 1921-22 and 1922-23—

(*a*) by steamships owned by companies registered in the British Isles; and

(*b*) by steamships owned by companies registered in British India?

THE HONOURABLE MR. D. T. CHADWICK: The quantity of Indian coal carried by sea for railways was—

(i) in 1913-14, 735,452 tons; information is not available as to where the steamship companies were registered;

(ii) in 1918-19, 117,774 tons, all carried by companies registered in the British Isles or foreign countries;

(iii) in 1921-22, 394,396 tons, all carried by companies registered in the British Isles;

(iv) in 1922-23, 459,851 tons, all carried by companies registered in the British Isles.

As regards coal carried by sea for the Indian Marine the information is not available. Inquiries are being made and the figures will be supplied to the Honourable Member when available.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Was it not necessary to place information of the kind which the Honourable Member says is not forthcoming (regarding the amount of coal carried by vessels belonging to companies registered in British India) before the Indian Mercantile Marine Committee for purposes of that inquiry?

THE HONOURABLE MR. D. T. CHADWICK: In my answer I only said that the information is not available as to coal carried by steamships in 1913-14. That is ten years ago. I understand that it is impossible now to trace the names of the actual ships which carried the coal ten years ago, and therefore it is impossible to ascertain the names of the owners. As regards coal carried by sea for the Indian Marine I said that the information is not available Inquiries are being made and figures will be supplied when available.

RESOLUTION *RE* MURAL PAINTINGS IN GOVERNMENT BUILDINGS AT RAISINA.

THE HONOURABLE MR. PHIROZE C. SETHNA: (Bombay: Non-Muhammadan): Sir, my Resolution reads as follows:—

"This Council recommends to the Governor General in Council that, if and when the work of mural paintings in the buildings at Raisina, including the Government House and the Secretariat, is taken in hand, the same be entrusted to Indian artists and preferably to the Bombay School of Arts."

[Mr. Phiroze C. Sethna.]

New Delhi is being built at a cost of several crores of rupees. In the scheme of decorations in the Government House and the Secretariat I understand there are also to be mural paintings, and the recommendation I make in my Resolution is that such work be entrusted to the Bombay School of Arts.

I do so with the conviction that the Bombay School of Arts produces the most excellent work of this kind and even better than what may be expected from European artists. This statement may appear an exaggeration to some Honourable Members, and particularly to European Members of this House, but the testimony of European experts themselves will convince them that, so far as mural paintings are concerned, the Bombay School of Arts unquestionably takes the lead. Sir John Marshall, who must be regarded as an authority on the subject by the Government themselves, in a paper which he read before the Royal Society of Arts in London only three or four months ago says:

"From start to finish this decorative quality, this sense for rhythmic, flowing ornament and particularly for floral ornament, is the special prerogative of the Indian artist. It is his birthright. You will find it inherent in every phase and in every period of Indian art, whether it be in these early sculptures of the Buddhists, in the mediæval paintings of Ajanta, in the elaborate architecture of the Hindus and Jains, or in the fairly-like structures of the Mughals. And seeing to what a high pitch this sense for the decorative had been developed in the earliest monuments that have survived to us, we can hardly doubt that it had come down from an immemorial antiquity."

Dr. F. M. Thomas of the India Society, Sir Francis Oppenheimer and others who have seen mural paintings done by the Bomaby School of Arts and who can speak with authority on the subject have all acclaimed it as work of the highest order. Mr. M. A. Hydari, the Finance Minister of Hyderabad, in which State are the world-famed mural paintings in the Ajanta Caves, looks upon the Bombay School as "the lineal descendant of the great National Art School of Ajanta". I recognise that for every man we put up who will conscientiously praise the work of the Bombay School of Arts in mural painting it is easy enough for those who hold the contrary view or are interested in getting the work done by other than Indian artists to put up others to decry their work. The indisputable point is, a point which needs must appeal to this House, that the Bombay Art School which has done astonishingly well, has by virtue of its existence and even without the fact of its fine record in mural painting, the right to its chance at Delhi, and Government must see to it that it does get this chance. The patronage of art must first come from Government themselves, and particularly in a deserving case like this, which, if they do, it will follow that the public who can afford it will imitate the example of Government and the art of mural painting will receive greater encouragement. This has already been done to some extent on the Bombay side.

The classes of mural painting in the Bombay School were opened only a few years ago and they have advanced with great rapidity from one success to another, and it has shown a vitality that would have been impossible except in a country of natural artists. The introduction in this school of something akin to the facilities of instruction enjoyed by the Art Schools of Europe has already produced results that would do credit to any Art School anywhere. Yet more rapid would be their advance if they were given work in the public buildings at New Delhi which would be an advertisement to them all the world over and which they merit. It is no

use training artists unless you can find a field for their labours. The Government of Bombay appreciate the value of the work, and the mural paintings done in the Government House at Bombay are applauded by all who have seen them and by those who are in a position to express an authoritative opinion on them provided, of course, they are impartial judges. If the Cartoons and Mural paintings in the School of Arts itself, in Government House and elsewhere in Bombay show the skill of "prentice hands" of these young art students what greater success may we not reasonably expect if the School were permitted to essay a larger task at Delhi under the able leadership of its principal Mr. W. E. Gladstone Solomon and for which it is perfectly competent. What I put forward therefore is quite a reasonable and legitimate claim. It is precisely what is being now accorded to the London Art Schools, that is the right of a School of Art to participate in such decorations as a School of Art working under its own masters.

And yet we understand the claims of the Bombay School to be given a chance at Delhi are seriously opposed by eminent Academicians, although the Royal Academy of London itself and the heads of other British Art Schools are urging on their own students to decorate the walls of public buildings in London on a large scale. It is believed that the suggestion is to get the work done at new Delhi by English artists or even by Italian decorators, which means the elimination of India from the field of artistic support. It may be suggested that the students from the Bombay School may be made to work as assistants to the artists who may be brought out from Europe. This too we ought strongly to oppose as such an idea would be ruinous in its results, as it would only make copyists of our Indian artists, whereas they have displayed distinct originality in this particular art as also great proficiency.

As to mural paintings in India by Europeans we have specimens at the Victoria Memorial Hall in Calcutta. We do not desire to see that style of work perpetuated by Indians. They may not be inferior to the work done by the Bombay School of Arts, but they are not mural decorations at all as the phrase is understood in India and by Indian artists, but merely easel pictures fastened on to the wall. They are essentially un-Indian and not at all what we want to see here. Sir John Marshall has officially stated a very unfavourable opinion of them and I personally think that to every nine out of ten Indians who see them they make no appeal whatever, for they are very feeble works of art. British mural painting is still in a stage of experimentation. Indian mural painting had hardened into a received tradition, as the earliest panels of Ajanta testify nearly two thousand years ago.

The Indian point of view in decorative art, which is quite unique, is entitled to the respect due to age at least. Within its own bountiful conventions it is capable of unlimited expansion. If there is one department of national enterprise in which India is justified in refusing to be instructed by any other country whatsoever, it is in the domain of decorative art, of which, in the opinion of experts, she stands sole and unrivalled mistress.

If any Honourable Member thinks that the question of the decoration of New Delhi belongs to that class of special subjects that scarcely need come within the scope and province of this House and that it may be dealt with by experts outside of it and perhaps outside of this country, I personally strongly dissent from such a view. The art of a country is its

[Mr. Phiroze C. Sethna.]

immortal part, and problems touching the art of India, touch also the soul of India and are correspondingly vital to Indians. The question that has been raised in Bombay must be answered here and cannot be referred to the architects of New Delhi for its solution, without a delegation of duty which the country will regard as a derogation from duty on the part of this House. Nor is this question one which we, as laymen, must beware of approaching. It is not necessary to be a practising architect in order to give an opinion on this question. We need not therefore be unduly moved by the criticism of the work of the Bombay School of Arts or the strong opposition to its wishes on the part of Sir Edwin Lutyens, R.A., the architect of New Delhi.

In the work of that school, the soundest judges have recognised sterling promise which is ready to be ripened by the sun of opportunity. In that word, you have the crux of the problem of Indian art to-day. Indian artists are extremely poor, and cannot afford to miss any opportunity, least of all one of such magnitude as Delhi offers. They are not very articulate in their demands. Artists all the world over rarely are. But in Bombay they are asking through the School of Arts with no uncertain voice for a share of the opportunities provided at such heavy cost to the country by the extensive walls of the New Capital. And that the production of the School of Arts has fully kept pace with its aspirations no one conversant with the artistic currents of Western India can doubt. No other Art Schools of India have specialised in Higher Art Training. In the Mayo School of Arts and Crafts, Lahore, there are still no painting classes—nor anything worth mentioning in Madras, Lucknow or I am afraid we must add Calcutta. The curriculum at the Bombay School of Arts now conforms to the courses of the Royal Academy Schools of London. Students draw and paint not from copies but from the living model, and the work they have done for the Bombay room of the British Empire Exhibition shows what excellent results they can achieve and what a magnificent revival of Indian painting will follow this act of official patronage.

At the annual prize distribution of the Bombay School of Arts on 1st December last the then Governor of Bombay, Sir George Lloyd, said as follows:

> "Last year at your annual prize gathering, I appealed most urgently to the Indian public to provide that opportunity for the sake of their own national art and I expressed my strong opinion that in the decoration of New Delhi lay the immediate opportunity, which should not, indeed could not justly, be denied to the students of the oldest Art School in India. That opinion of mine has remained unchanged and to-day it is infinitely strengthened by my inspection of the admirable work that has been prepared for the British Empire Exhibition. I do not believe that further proof can be required of the School's capacity for artistic production, and I congratulate the staff and the students most heartily upon the success they have achieved."

All those who like Sir George Lloyd have seen the work of the Bombay School of Arts, which is to be exhibited at the British Empire Exhibition, cannot but consider it as reflecting the highest credit on the School. That work will be seen by hundreds of thousands, perhaps millions, at Wembley Park during this year, and I have no doubt it will be pronounced as work of the very highest order. In view of the genuine revival of Indian painting that is going on in Bombay I feel that this Resolution represents the least that can be done by this Council towards reassuring the hard-pressed School of Arts in its fight for the recognition of Indian Art as a living

factor, and of Indian artists as artists. The gift of patronage to art brings to the giver a thousand-fold return, as the history of our own country and of other countries has abundantly proved. This House has at least that gift, the gift of its official encouragement in its power to bestow, and its bestowal by means of this Resolution will signify something more than an empty expression of opinion. Besides bringing immediate hope to the Indian student of Art, the act will mark a return to the faith that his forbears had in their own art. Give them but faith and opportunity and our artists may be trusted, and speedily, to work out their own salvation and in doing so to raise our country immeasurably in self-respect and in the respect of mankind.

That the mural paintings in contemplation for the decoration of New Delhi shall be as Indian as possible and that the Arts School, Bombay, should be granted the right to be allowed to paint them, are postulates that belong, or ought to belong, to the category of foregone conclusions. Yet, Sir, there is a real and a genuine and an urgent national need for this House to adopt this Resolution, and it has fallen to my duty to-day to indicate the reality of the need, the genuineness of the Bombay School's supplication and the urgency of the case.

12 Nov. THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, this Resolution is of a patriotic character and certainly needs the sympathy and support of Government. I do not propose to traverse the same ground and speak in support of Indian art, and also in support of the merits of the Bombay School of Arts. There is no necessity for special pleading on this occasion. The fact is very plain that, if the architects propose to go in for mural paintings in respect of the new buildings at Delhi, and that they are required to be of an Indian character, it is only right and proper that Indian art and Indian industry should be supported and encouraged. I am therefore to that extent in entire agreement with my Honourable friend, Mr. Sethna, and would like to support the Resolution. But what I fear is that, if you pass this Resolution in the form in which it is now proposed, we make it of a mandatory character. We make it obligatory on the part of Government to exclude the services of all other painters of different nationalities. I really do not know what sort of paintings it is proposed to resort to in the various buildings that will be constructed. There may be a certain class of buildings in which the Indian or mural paintings may not be suitable. There may be certain buildings where perhaps Italian architecture would be necessary. There may be certain buildings where English architecture would be indispensable. For these reasons I object to the wording of the Resolution as it stands, and, though I am in entire agreement and in full sympathy with the proposal that it is the duty of the Government to see that the Indian industries and Indian arts are supported, and though I firmly believe that in the matter of cost also there will be a considerable saving if the work is entrusted to Indian artists, yet I feel that I cannot support the Resolution as it is worded. If a slight alteration is made in this Resolution, I am sure it will be acceptable to Government and the Council and no exception can be taken to it. I, therefore, by way of amendment, move that after the word "entrusted" the following words be added:

"as far as practicable,"

[Sir Maneckji Dadabhoy.]

This amendment, Sir, will serve the purpose, will take away the mandatory character of the Resolution and will not exclude European and other foreign artists being employed, if it is essentially necessary, and will in no way exclude the Indian artists from obtaining the patronage that they deserve.

THE HONOURABLE THE PRESIDENT: To the Resolution under discussion amendment moved:

After the word "entrusted" the words "as far as practicable" be added.

That amendment and the Resolution are now under discussion.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-official): Sir, as an old student of the Bombay School of Arts in 1858, I have taken a great interest in that school, and I believe that during the last sixty years that it has been in existence the progress it has made is remarkable and, under the able guidance of the present Principal, Mr. Solomon, the School has attained a high degree of proficiency, particularly in mural painting. I myself have seen the mural paintings of the School and I was present at the last Exhibition, when Sir George Lloyd made those laudatory remarks to which my Honourable friend, Mr. Sethna, just referred. I hope that this part of the Indian art will receive the support of Government. Properly speaking, art is always patronised by the prosperous citizens of any country. Of course, it is partly the duty of Government also to encourage it. In India, particularly, where, of course, the patrons of art and literature are so few, I think it is only right and proper on the part of Government that it should support it as far as possible as my Honourable friend, Sir Maneckji Dadabhoy has said. Therefore, I do hope that at least this Bombay School of Arts will be offered the opportunity of a trial and experiment as an encouragement. That great distinguished artist Fergusson, who came here somewhere about 1864 or 1865 and went round the whole of India and took notes of the sculptures and architecture of India, has written two big volumes in which he highly praises the Indian art of ages past, and very often speaks of the beautiful paintings at Ajanta in terms of praise. When such an artist speaks of the Ajanta paintings in such terms, and when there are good mural painters in India, I do not think that the Government will be doing something highly praiseworthy by promoting the cause of Indian art, if they accept the Resolution. With these remarks I heartily support the proposition of the Honourable Mr. Sethna before the House.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: (West Punjab: Muhammadan): I am glad that the craze of wheeling over the half-built Delhi to another station for the convenience of individual members is now over. It has already done a great deal of disservice because lots of people who have bought lands in the Station have been affected being in suspense as to whether to start the buildings or not. However, Sir, we have entered on another phase. I have been hearing about this new Arts School in Bombay. (*A Voice*: "It is not new".) But there are other provinces who have their own Art Schools. We have got one in the Punjab. Why not also allow artists from there to do the same work? We praise these schools because students, unless

they are backed in that way, get disheartened. But nobody has so far compared the art of the School here with the art of those in Europe. If they compare them, they will surely see that there is a great difference. What is this School learning? I think it is learning mostly from art in Europe. We are learning many things that way. No doubt, there may have been very fine arts in India before, but everything is changing and I believe, improving. So, if money has to be spent, we ought not to go to fancy schools of ourselves but we ought to see that the amount is properly spent. If we can get with this sum the best men and best material from Europe, why should we not utilise them? Because I say this, I hope my Honourable friends will not think that I am against all Indian efforts. But I only say this that if somebody has to be operated upon I am sure he would not like a student to come and operate upon him simply because he is an Indian student and that he may learn by this operation. Supposing there was a case of murder and you wanted to get the best pleader, I am sure you would not go to a Muhammadan or a Hindu simply because he is your co-religionist. We ought to recognise that the art of the country is a bit backward in some particulars. (*The Honourable Sir Maneckji Dadabhoy*: " Indian art is not backward ".) I personally think that the arts of Europe are better. Why is the Bombay School called only a school and not a college? If it was a better institution they would have called it a college. It is only called the Bombay School of Arts. How are school boys going to excel their masters and professors. If we do help the School of Arts, it should be done only to the extent to which it should be encouraged. But we should not say simply that we will have only this School in spite of the best institutions and the best artists procurable in England.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): I feel a little embarrassment in rising to speak on the subject of this Resolution which, as far as I can see, cannot be adequately discussed without going into some details as to the merits or demerits, as my Honourable friend behind me would have, of Indian pictorial art as it exists to-day; a subject in which, I must say, and must admit frankly, with all due apologies to the Council, I am less than a novice. I cannot pretend to any of the qualifications of an art critic, nor even perhaps of an art student, and I cannot follow my Honourable friend Mr. Sethna on the discussion of this subject. I am quite willing to accept what he says as to the merits of the Bombay School of Arts. I do not propose to discuss them, and, if he hopes to draw me into discussing the merits of any particular Indian school as compared with the western schools of painting or any other schools of painting, I am afraid he will be disappointed. I can only treat this Resolution on the broadest general lines, and I can say at once that the Government of India have, and I think every Member of this Council will have, the fullest sympathy with the main idea underlying this Resolution. I think that there are few who will not feel that the construction of this great new City, which is going on before our eyes, and which we all hope will be a worthy representation in stone and marble of the greatness of the British Indian Empire, does afford an opportunity for stimulating and enlarging the legitimate ambitions of Indian artists, an opportunity such as has not arisen in this country for at least 300 years. Speaking as a Member of the New Capital Committee, I can frankly say that I believe it has always been the intention of that Committee, and therefore of the Government of India, and I believe also the intention of the architects

[Mr. A. H. Ley.]

themselves, that when the time comes to put the finishing touches, so to say, on the great building which will be the Government House of the future, those finishing touches should be laid by Indian artists, if artists in India with the requisite talent can be discovered. I must however come down for a moment from these lofty themes to the consideration of one or two rather cold and hard facts. I should like to say in the first place that I think it is a little doubtful whether there will be very much scope for mural decorations of this nature in the Secretariat. There will probably be in Government House. It has always been the idea that the Durbar Hall and some of the principal State rooms in the new Government House should have decorations, probably mural paintings or some similar kind of decoration, but the scope is possibly not quite so large as my Honourable friend Mr. Sethna anticipates. In the second place, there are certain technical questions which have still to be considered. We have heard a great deal this morning, and I think quite rightly, as to the merits of modern mural painting in India; but I have heard it stated, and here I am speaking without authority as I have no technical knowledge of the subject myself, I have heard it stated by a person who is an authority on these subjects, that a suitable plaster for mural paintings in the climatic conditions which prevail in this part of India has yet to be discovered. I am not sure how far that is the case, but I have seen it stated. I have no reason to suppose that these difficulties will not be got over; but my point is that it is a question which will require close investigation and probably some prolonged experiment. Thirdly, and here I come to the main point, this work is not likely to be undertaken for some years. Some years are likely to elapse before the Government will really take up the question of decorating these buildings. There is no provision in the project estimate for work of this nature; the actual building of Government House will not be completed till 1926, and of course there is no question of undertaking mural paintings for some time to come after that. It is largely a question of finance. This Council will remember that there was a Committee on which non-officials were represented, which was appointed some time ago to go into the question of the financial scheme of New Delhi, the New Delhi Inquiry Committee, and they did go into the question of Government House. They found that it was impossible at this stage to suggest any definite economies in the construction of the building, as the general design had gone too far but they did suggest, if I remember right, in their report that work of this nature should not be undertaken until financial conditions improve. I have seen one or two estimates for the formation of studios in Delhi, one from the Principal of the Bombay School of Arts and another from the Architects and Chief Engineer of New Delhi, none of them costing less than £100,000 and probably more. It is therefore largely a question of finance and it must be some time before this work is really undertaken, and possibly it is a little academic to be discussing this question at the present moment, although I quite agree that it will be necessary for the Government of India to consider what steps they can take to discover the requisite talent in India before carrying out this work. Now, I come to deal with the precise terms of the Resolution. Here my Honourable friend Sir Maneckji Dadabhoy has stolen my fire. I have explained that it is the idea of Government, and it is the idea of the New Capital Committee, that, when the time does come, this work should be entrusted to Indian artists, if the requisite talent can be found in India. It is a question of finding

the requisite talent, but I do suggest to this Council that it is not wise to adopt a Resolution in such categorical terms as my Honourable friend Mr. Sethna wishes to put forward. Is it not better and wiser to leave to Government a certain amount of latitude to utilise the best talent they can find; for we are all anxious that work of this nature should be done by artists who are worthy of the theme. Would it not be better to leave some latitude for following the example of the greatest Indian architect—and when I say the greatest Indian architect—I say also one of the greatest architects in the history of the world? For what did Shah Jehan do? He employed Italian artists; he employed French artists; he employed Indian artists. In fact he searched the world over for the best artists he could find, to give the final decorative touches to those magnificent buildings, which are now the wonder and admiration of the world. I suggest that, although it is the intention to utilise the services of Indian artists, if artists can be found worthy of the theme, it is not wise to tie ourselves down at this day, probably some years before the work is undertaken, and still less to express any particular preference for any particular School of Art in India. Art, after all, has no boundaries, it has no geographical limits. Here I agree, I must say, with my friend Sir Maneckji Dadabhoy and my Honourable and gallant friend behind me. We do want to have some latitude in this matter, and, although I think the Government should obviously in their search for the requisite talent in India look round to different schools which may exist, they should not definitely tie themselves down to one particular school. I say nothing about what Mr. Sethna said as to the particular merits of the Bombay School of Arts. I am quite willing to accept what he said. But other schools may arise in India in the future. There are other schools in India now. We should have latitude in this matter. With this idea, Sir, if I may have your permission, I should like myself to propose an amendment, not quite in the terms of my Honourable friend, Sir Maneckji Dadabhoy, but going, possibly, a little further than what he said in the direction originally desired by Mr. Sethna. What I should like to propose, if I may have your permission, Sir, would be:

"To substitute for the words 'and preferably the Bombay School of Arts' the following words :—

'if the requisite talent can be found in India and that Government should consider the possibility of utilising the services of art students selected from the Schools of Art already existing in India.'"

That, I think, while pointing out the sympathy of Government with the idea underlying the Resolution, should allow a certain amount of latitude to Government in carrying out that idea.

THE HONOURABLE THE PRESIDENT: Before I put the amendment to the House, I should like to inquire from the Honourable Sir Maneckji whether this more comprehensive amendment will not enable him to withdraw his amendment.

THE HONOURABLE SIR MANECKJI DADABHOY: Yes, Sir, I think the amendment moved by my Honourable friend, Mr. Ley, is more elaborate and fully covers my amendment. I am quite prepared to withdraw mine.

The amendment was, by leave of the Council, withdrawn.

THE HONOURABLE THE PRESIDENT: To the Resolution under consideration an amendment moved:

"That for the words 'and preferably' to the end of the Resolution, the following words be substituted :—

'if the requisite talent can be found in India and that Government should consider the possibility of utilising the services of art students selected from the Schools of Art already existing in India.'"

That amendment is now under consideration with the original Resolution.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, in this atmosphere of what some outside this House are pleased to call unreality, and as a new-comer, I take heart in some matters. For example, when my Honourable and gallant friend from the Punjab (the Honourable Nawab Sir Umar Hayat Khan) tells us that in a murder case a Muhammadan would not like to be defended by a Muhammadan pleader because he is a Muhammadan or in a serious case of surgical operation he would not like to call in a Muhammadan doctor as such.

THE HONOURABLE THE PRESIDENT: I do not think that is quite a fair statement of the Honourable Member's speech.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: It is in effect what he is good enough to say and I was going to say that I begin to take heart from this. And when Sir Maneckji Dadabhoy reminds this House that nothing mandatory ought to be adopted in this Resolution, there again is reason to take heart because one feels on Sir Maneckji's authority that now and again, at all events in regard to innocent and inoffensive subjects like this, it is possible for this House to adopt something that partakes of the mandatory character. The Honourable Mr. Ley has attempted to prove that we are dealing with an unreality so far as the remote object of this Resolution is concerned. When the time comes, when money is available, and if Indian talent can be found, Government's sympathy will be extended towards the promotion of Indian Art, particularly with regard to the mural decorative part of it. Those are big "ifs", Sir, for those who every day feel the want of a little window to their bathroom, the want of proper drainage to their compounds, the want of proper cementing to their floors. It is useless to talk in advance, according to him, of these fine artistic possibilities that may or may not crystallise except at a somewhat distant future. 1926 has been suggested as the date when the walls and the roof of Government House will probably be ready and then will come the question of decoration. Between then and now many a new "school of art" will have arisen. I do not want to take a provincial view of the proposition before the House and to urge the claims of this school or that school that is doing work in directions of this kind. Mr. Ley's amendment, if it is adopted, will cover that ground. But I do not want to let go by default the claims of my Province. Bengal is doing very useful work in this direction as those who have seen the work of artists like Mr. Arya Chaudhri, and others in the domains of mural decorations will admit. But what strikes me, Sir, in this connection is that expenses that we can afford on worthy mural decorations must be a long time in coming. Those who have been inside the Parliamentary Houses in Westminster will remember how some of the panels are still waiting for the public and not the Government to take up. Where large avoidable expenses are concerned, beyond general acceptance of the

principle that Indian Art is to be promoted as much as possible, one can hardly go. It is only in the Indian Legislature that the necessity of an elaborately discussed Resolution like this would be felt. In another country it would be a matter of course that local art ought to be utilised to the utmost possibility. That we are obliged here solemnly to record a pious Resolution that will not come into effect for a long long time is only possible and necessary in India. That we have to be content with general benedictions of the kind that Mr. Ley proposes is significant enough. I do not think any useful purpose would be served by accepting a Resolution with such remote safeguards, and we may well let the whole matter stand over and see what Arts Schools flourish and what decay.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, the Resolution which has been moved by the Honourable Mr. Sethna distinctly points out that if the question of mural painting is to be taken up, the work should be entrusted to Indian artists and preference given to the Bombay School of Arts. So, I think the Honourable Member has rightly anticipated that it may be undertaken or may not be undertaken. I for one would not undertake this work at all, if it is to cost enormous expenditure of money, particularly as one is anxious for retrenchment in these days.

I regret I cannot support the amendment that has been moved by the Honourable Mr. Ley. There are two very serious defects in it, if I may say so. First it is stated " if the requisite talent can be found in India." I question that statement. I think the speech of the Honourable Mr. Sethna and the speeches that have followed—and I will say the remarks of Sir Dinshaw Wacha also—have shown that there is a lot of requisite talent available in India. The second clause, it seems to me, is somewhat dangerous. " And that Government should consider the possibility of utilising the services of art students, etc." That means that even if the requisite talent is available, it is to be left to the Government to consider the possibility or otherwise of entrusting the work to Indians. It also means that the Government may not care to do it at all. I therefore will not jeopardise a somewhat innocuous proposition of this description by accepting an amendment of this character which will defeat the very purpose the Honourable Mover has in view. My Honourable friend very well pointed out that, if the work of mural paintings in Delhi is to be entrusted to Western artists, it means the elimination of Indian art. I think he might have gone further and added that it is not merely the elimination of Indian art but a slur—an unmerited slur—on Indian art. I am strongly of opinion that if there is to be any provision at all for mural painting, the work should be entrusted to Indian artists.

There is one other point on which some stress has been laid. A sort of competition, if I may say so, between the work of the different Schools of Arts in India,—each one praising the work of the School of Arts in his own province—has been going on. That seems to me quite unnecessary because the Honourable Member has said " preferably to the Bombay School of Arts." The chief point is that this House should unhesitatingly give its opinion that it is anxious that, when the question of mural painting in Delhi is taken up hereafter, that work should be entrusted to Indian artists. I think that, if this is accepted, it will be satisfactory to all. I regret therefore I cannot support the amendment and I give my most hearty support to the proposition which has been moved by the Honourable Mr. Sethna.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, from the time I visited the Ajanta Caves in 1883 I have been under the impression that we did at one time possess the best plaster, fresco paintings and water colours which we see there durable enough for centuries. I was so tempted by what I saw in the Ajanta Caves in 1883 that I renewed by visit later on. On these two occasions I found the Bombay School of Arts sending out its establishment to copy for the benefit of the whole world the nice paintings that one discovers there—paintings which at later times have had to suffer at the hands of—I will not say visitors—but unknown individuals. Copies were being made of those paintings. I was told that those copies had been sent to be kept in the British museum. I was also told that later on those copies were not to be found, they were either burnt or somehow lost. There was another endeavour made by the School of Arts to copy these paintings again. I merely mention these circumstances to indicate the value of that art, that it is praised even to-day after two thousand years by those well-versed in the present day paintings, and that Indian art has not suffered. When I visited Tanjore, I was struck with the paintings that I saw there, which depict to-day for the benefit of visitors those who were the 14 rulers that ruled Tanjore for a certain time. After that, when I visited Pompeii in 1908, I was able to see the paintings on the walls of the houses excavated, and all visitors were struck with the durability of the colour of the paintings there. When in London, at the approach of the House of Commons I found that there were paintings which illustrated parts of history which are very interesting and instructive, I was so enamoured by the view I had of all these paintings that I thought that whenever any question of this kind arose I was sure to go in for some words in favour of them. When I visited some cities in Italy, I really found students making copies from the paintings that I found there, and I was struck by the beauty of the paintings such as appertained to the ceiling. When I found students copying them I wondered, if what was displayed in the various places I visited, could be indigenous art, and when I was told that those were their own arts,—not copied from other nations, but the work of their own artists—I thought to myself that there would dawn a day in India when the emporium of the whole of India might contain a magnificent edifice such as will accommodate at least in some small corner the exhibition of its own art. To whom would India say " Paint me as I am " if not to her own sons and daughters? Indians will be the first to imagine what their country is and portray nature. India alone will give opportunity to her own sons and daughters, not to others, to imagine what she was in days gone by. It is said that we must have the most beautiful art exhibited in this capital. Possibly we may have, but what do we exhibit thereby? Do I not love my child more than anybody else? In spite of the precept " Do unto others as you would be done by " would not India care more for the arts belonging to herself rather than having the best specimens in the world? If art were to be imported into India, it would be for the edification of those that have to further the glory of India, but it must be understood that there should be an exhibition containing not the best things in the world, but the best things belonging to India.

It is only in that sense that this recommendation is made. We do not want to tie down the hands of anybody. It is, after all, a recommendation. The Honourable Mr. Sethna says " if and when." When the time comes, and the time must come, when it is taken in hand, is it not better to be prepared beforehand? Forewarned is forearmed. What is considered as premature now should be looked upon as the best warning to be

prepared for the time. It may be that at the present moment our students may be lacking in perfection and may not stand the test of competent examination. But is it not time enough—and I think no time is too early,—to be prepared for the occasion? If we pass this Resolution here, it will be the greatest incentive to everybody concerned and, if there is any art to be found defective at the present moment, I have full faith that in time there will be a sufficient improvement of it enough to stand any test.

Then we are told that the present estimates do not contain these things. Possibly. This is a thing which has to appear after the buildings are complete. I see side by side buildings being pulled down, which contained the best specimens of the art that then existed. By the side of these I find an endeavour made—I see a struggle between art and nature. If this Delhi is to contain the best possible features of art, it must contain the best possible specimens of Indian art. In spite of the fact that the places of instruction are called schools, they are colleges in the sense that they give the best instruction possible and, when the thing is quite ready for the inception of these paintings, there will be no voice from anywhere that Indian art is wholly lacking in that capacity to stand the examination of Members here. I have great pleasure in supporting the proposition as it stands.

Speaking about the amendment I should say that it is a wide amendment. Possibly it may be that India at the present moment may not contain the best possible material, but I should think that there is time enough, and I do hope that when the Honourable Mr. Ley comes into greater power, he will see his way to utilise his influence in favour of this new art in spite of his attitude at the present moment. I therefore vote for the Resolution as it is moved by the Honourable Mr. Sethna.

THE HONOURABLE MR. PHIROZE C. SETHNA: My Honourable friend, Sir Maneckji Dadabhoy, has withdrawn his amendment by which he had asked for the addition of the words " as far as practicable ". " As far as practicable " we know means at the best no more than a pious hope. But my Honourable friend, Sir Maneckji Dadabhoy, further says that this Resolution is of a mandatory character and so also did say the Government Member, the Honourable Mr. Ley. May I remind both these gentlemen that our Reforms have not yet reached that stage when Resolutions passed by either House of the Central Legislature are binding upon Government. That time is yet to come and I hope it will come soon. Until then, we have to be content with begging of the Government to do what the country wants it to do.

Now, Sir, I shall refer in brief to the observations made by my Honourable friends, Sir Umar Hayat Khan and Sir Deva Prasad Sarvadhikary. The gallant Colonel first of all referred to the Bombay School as a school of yesterday. Perhaps he did not know of its existence earlier. May I inform him that the Bombay School of Arts is older than himself, that the Bombay School of Arts had for one of its principals a person who, if he is not as well known to the whole world as his son Mr. Rudyard Kipling is, was Mr. Lockwood Kipling, one of the principals of the Bombay School of Arts so far back as I believe about sixty years ago. It has had several good principals, but notably the present principal Mr. Gladstone Solomon. Then again, the gallant Colonel asked, why not students from Lahore? My Honourable friend, Sir Deva Prasad Sarvadhikary, referred to painters in Bengal. Have I eliminated them? My Resolution clearly says " Indian artists " and says further " preferably the Bombay School

[Mr. Phiroze C. Sethna.]

of Arts " for the reason to which I shall presently advert. If there are students available elsewhere in India than in Bombay, by all means avail yourself of their services. As I said in my opening remarks, so far as I know, the school to which my Honourable friends refer, have not made the same advance and the Lahore School, I believe, have no painting classes. If other schools show proficiency by all means let the students from those schools come in. In fact, that leads me on to suggest that it would be well to have in India a post-graduate course on the lines of Villa Medici in Rome to which even students from France, who win the Prix de Rome, are sent for advanced courses and I understand a similar prize called the Prix de Rome, has also recently been established for British students. If there is competition of that kind, healthy competition between different schools in India, Indian painting will have the means of a revival which it so sorely needs.

My Honourable friend, Mr. Ley, began his statement by saying that Government are in fullest sympathy with my motion. We want Government to translate that sympathy, from lip sympathy to action. Times out of number Government profess sympathy with us, but just as I remarked only the other day, Government times out of number will not accept a Resolution which is put to them in the name of the people, and which we non-officials know is the opinion of the general public. The Honourable Mr. Ley says that my Resolution does not give Government enough scope. He pointed out the instance of the great Moghuls who also imported artists from other parts of the world, notably Italy May I remind my Honourable friend that they were brought out here not for mural paintings to which my Resolution refers. They were brought out here for the purpose, particularly, of architecture. I do not say that these Indian students should design buildings at new Delhi. All I say is that these Indian students are perfectly well qualified, and better qualified in the opinion of Government experts themselves, like Sir John Marshall, to be the best workmen to-day in mural painting whether in India or anywhere else in the world. It is, Sir, for that reason that I worded my Resolution in the manner I have.

Again take the money point. I say ' if and when ' in my Resolution. If Government have not the funds, surely I am not pressing them to take the work in hand immediately. Government say that the buildings will not be completed till 1926. We will wait if they like till 1928, if there is an assurance that Government will then give this work to Indian artists and preferably to the Bombay School of Arts, for the simple reason that at the present moment it is only the Bombay artists who are qualified to carry on that work in a very superior degree. I cannot see my way therefore to accept the Honourable Mr. Ley's amendment. Mr. Ley puts in the words " if the requisite talent be found in India? " What is the assumption he makes thereby? He absolutely denies the existence of such talent.

THE HONOURABLE MR. A. H. LEY: No, Sir. I never made that statement.

THE HONOURABLE MR. PHIROZE C. SETHNA: Then why not eliminate those words? I say that that talent exists. I refer the Council to men like Sir Francis Oppenheimer and Sir John Marshall, whose testimony Government will accept anywhere except it would appear for the purpose

of accepting my Resolution. The next part of the Government amendment reads: "and that Government should consider the possibility of utilising the services of art students selected from the Schools of Art already existing in India." What does this imply? Are not Government prepared to say that, if and when they will get the funds, they will utilise their services for certain. They are evidently not so prepared to do and that is because Government will rely on the opinion of their experts. Mind you, not experts in painting but in architecture.

In my remarks I challenged Government and I said that one of the architects of New Delhi, Sir Edwin Lutyens, is opposed to giving this work to the Bombay School of Arts. There is not a word in reply from the Government Member to that charge. I understand that the buildings at Raisina are in charge of two architects, one is Sir Edwin Lutyens and the other Mr. Herbert Baker. I made no reference to Mr. Baker, because I do not know if Mr. Baker is favourably disposed to the Bombay School or not. If Mr. Baker is not opposed to the proposal in my Resolution and if, as I understand, the work of the most prominent buildings at New Delhi is divided between these two eminent architects then, if Mr. Ley is prepared to say that Government will give the work to the Bombay School of Arts or to other Indian artists, no matter where they come from in buildings which are constructed by Mr. Baker, I am prepared to accept such an amendment. As regards the Government amendment, I can only say that it attempts to shelve the question, because at a later date 1926 or 1928 Government will come down and say "Our architects do not advise us." Why should an architect advise in a case of this kind? Why should Government take the advice of architects in matters relating to painting? Honourable Members of the Council who belong to the legal profession will hold with me that there is a *prima facie* case against accepting the opinion of an architect on matters of pure painting. That being so, I regret I am not able to accept Mr. Ley's amendment.

I am much obliged to my friend the Honourable Mr. Vedamurti for passing on to me within the last few minutes a telegram which appeared in Indian Newspapers and is dated London, 5th February. In that telegram there is the opinion of another authority in regard to the value of Indian painting. Sir Charles Holmes, Director of the National Gallery, speaking quite unofficially at a meeting of the India Society, said:

"that he was eager to see the great paintings of India, Persia and China and Japan represented in our national gallery side by side with the great paintings of Europe. In saying this he must not be thought to disparage or to be complaining about what had been done for oriental art by the British Museum and the Victoria Albert Museum. That was beyond all praise. But there was a function which those museums could not perform. Only by accepting the great painters of the East in juxtaposition with the great painters of Europe could we properly estimate, proclaim and emphasise the place of the East in the vital artistic achievements of the world. Our knowledge of art was not complete until we could include paintings of India, Persia, China and Japan in the same comprehensive vision with which we surveyed the works of Northern and Southern Europe."

Sir, I am sorry I have to press my Resolution for the acceptance of the Council to the exclusion of the amendment moved by the Honourable the Government Member. I shall be content to wait until such time as Government are in funds, but what I want is an assurance that, when funds are available, Government will entrust this work to Indian artists. As I have said in my previous remarks, if there is such an assurance and if the assurance is to apply only to the buildings which are in the charge of Mr. Baker, then too I shall be exceedingly thankful and will accept such an

[Mr. Phiroze C. Sethna.]

amendment. If not, I have no other recourse except to press my motion. But before doing so, I will appeal to the Honourable the Leader of the House, as he did on the occasion of the Nobel Prize question, to request official Members not to vote on this question. This will give a clear indication of the feeling of the people on the question as expressed on their behalf by non-official Members.

It is all very well for Government to come forward with amendments as they have done. There has hardly been a Resolution by a non-official Member of this Council, which is now in its fourth year, which has been accepted *in toto* by Government without some sort of change or other. I do not know why they are so keen on changes. I do not know whether they consider that non-officials in this House do not understand their business and that it is only they who do.

THE HONOURABLE THE PRESIDENT: I would remind the Honourable Member that the change in the Resolution was suggested by the Council and not by the Government.

THE HONOURABLE MR. PHIROZE C. SETHNA: That enables me to return to the charge I made a week ago to-day that the constitution of this Council is such that no matter whatever Resolution non-official members may bring, it is not possible for them to get it passed unless Government are favourably inclined. That is my complaint and therefore the constitution of the Council ought to be changed.

THE HONOURABLE THE PRESIDENT: That is not the point before the Council.

THE HONOURABLE MR. PHIROZE C. SETHNA: Then, Sir, I would remind the Government Benches that crores of rupees are being spent on New Delhi. It is the tax-payer's money. The man who pays the piper must have the right to call the tune. Therefore, I do want Government to give us the assurance I ask for and I hope that the Council will accept my Resolution.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I agree with my Honourable friend, Mr. Sethna, that the money being spent on New Delhi is the tax-payer's money. I believe that every Member of this House is included in the category of " tax-payer ", including the officials, and therefore I see no reason why I should give the direction to officials that my Honourable friend wants me to do.

THE HONOURABLE MR A. H. LEY: Sir, I did not imagine when I put forward what I thought was a harmless amendment to the Resolution that it would cause so much heat. After all, there seems to me to be very little difference between the terms of the amendment and the terms of the Resolution. All I have said in the amendment is that, if the talent could be found in India, it should be utilised, and that I stick to, and that is the intention of Government. If it is found in India, it will be utilised. I was particular not to be drawn into any discussion as to the merits of the Bombay School of Arts in particular. I am really not competent to discuss them. I have said that I was, speaking personally, quite willing to accept Mr. Sethna's opinion. But there is very little difference between the amendment to the Resolution and the original Resolution. There is this difference that we are not tying ourselves down, except to the extent that Indian artists should be utilised, if Indian artists can be found worthy

of the theme. That is all the amendment says and I think it is a perfectly reasonable proposition. I understood from my Honourable friend's remarks that he understood, or had heard, that Sir Edwin Lutyens was entirely against this proposition. Well, I am afraid I know nothing of that at all. I do not know what Sir Edwin Lutyens' views on the subject are. All I do know is that it has been the express intention of the New Capital Committee—and I believe of the architects, but I am speaking without definite authority here,—that, if the right talent could be found in India, it should be utilised. That is all the Resolution, as I wish to see it amended, says. There is no idea at the present moment of bringing out any Italian artists or English artists or any other kind of artists. The simple fact is that we have not yet got to the time, when we are going to consider this. All that is being done is that we are getting on with the work of construction and we shall leave it to the future to decide, when the buildings are completed. But I say that it should be done by Indian artists, if Indian artists can be found who are worthy of the theme, and who can do it. I am quite prepared to say that, if the Bombay School of Arts or any other School of Art, is found to be worthy of the work, they will be given it.

THE HONOURABLE MR. PHIROZE C. SETHNA: Found worthy by whom?

THE HONOURABLE MR. A. H. LEY: By Government, in consultation with their expert advisers.

THE HONOURABLE MR. PHIROZE C. SETHNA: Expert architects?

THE HONOURABLE MR. A. H. LEY: Well, it may be.

THE HONOURABLE SIR MANECKJI DADABHOY: I suppose the Committee will have to decide.

THE HONOURABLE MR. A. H. LEY: If the Committee are in existence at the time we undertake the mural decorations, they will probably have a voice in the matter. But I suspect they will long have ceased to exist. I suppose the architects, if they are alive at the time, will be consulted. It is really a rather premature discussion at the present moment. After all, the one thing that has got to be borne in mind is that the decorations which are undertaken in these buildings will certainly have to be in consonance with the general theme of the buildings, and it will probably be done by Indian artists, because after all the general theme of the building is semi-oriental at any rate. All that I have suggested in this amendment is that we should not tie Government's hands but simply say: if we can find the talent for this work in India, Indian talent will be used. I submit that this is an entirely reasonable proposition.

THE HONOURABLE THE PRESIDENT: The original Resolution moved was:

"That this Council recommends to the Governor General in Council that if and when the work of mural paintings in the buildings at Raisina, including the Government House and the Secretariat, is taken in hand, the same be entrustd to Indian artists and preferably to the Bombay School of Arts."

To that Resolution an amendment was moved:

"That for the words 'and preferably' to the end the following words be substituted:

'if the requisite talent can be found in India and that Government should consider the possibility of utilising the services of art students selected from the Schools of Art already existing in India.'"

[The President.]

The question before the House is whether that amendment should be made or not.

The Council divided:

AYES—24.

Akbar Khan, Major Nawab.	Misra, Pandit Sham Bihari.
Amin-ul-Islam, Mr.	Muhammad Hussain, Mr. Ali Baksh.
Amiruddeen Ahmad Khan, Nawab Bahadur.	Rafique, Sir Muhammad.
Barron, Mr. C. A.	Sarma, Sir Narasimha.
Bell, Mr. J. W. A.	Shafi, Dr. Mian Sir Muhammad.
Briscoe, Mr. H. K.	Shepherd, Mr. W. C.
Chadwick, Mr. D. T.	Singh, Sirdar Charanjit.
Crerar, Mr. J.	Stow, Mr. A. M.
Dadabhoy, Sir Maneckji.	Thompson, Mr. J. P.
Ley, Mr. A. H.	Umar Hayat Khan, Col. Nawab Sir.
MacWatt, Major-General R. C.	Zahir-ud-din, Mr.
McWatters, Mr. A. C.	Zulfiqar Ali Khan, Sir.

NOES—13.

Abdul Karim, Maulvi.	Sarvadhikary, Sir D. P.
Acharyya Chaudhuri, Maharaja S. K.	Sastri, Rt. Hon. V. S. Srinivasa.
Ismail Khan, Mr.	Sethna, Mr. P. C.
Karandikar, Mr. R. P.	Sinha, Mr. Sukhbir.
Khaparde, Mr. G. S.	Vedamurti, Mr. S.
Natesan, Mr. G. A. A. A.	Wacha, Sir Dinshaw.
Rampal Singh, Raja Sir.	

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The further question is that the amended Resolution be adopted, namely:

1 P.M.

"This Council recommends to the Governor General in Council that if and when the work of mural paintings in the buildings at Raisina, including the Government House and the Secretariat, is taken in hand the same be entrusted to Indian artists *if the requisite talent can be found in India and that Government should consider the possibility of utilising the services of art students selected from the Schools of Art already existing in India.*"

The motion was adopted.

THE HONOURABLE THE PRESIDENT: With reference to the next Resolution* on the paper, I notice that there is practically no business for to-morrow It may be convenient—I leave it to the House—it may be convenient to the Mover of the Resolution and the Member in charge of it, if the Leader of the House agrees, to take that Resolution up to-morrow. I would ask the Mover if he agrees to this.

THE HONOURABLE MR. S. VEDAMURTI (Burma: General): Yes, Sir.

(The Honourable Mr. A. H. Ley and the Honourable Dr. Mian Sir Muhammad Shafi also agreed to this course).

THE HONOURABLE THE PRESIDENT: We will therefore take the next Resolution to-morrow. That will avoid an afternoon sitting and also give work for to-morrow.

The Council then adjourned till Eleven of the Clock on Tuesday, the 12th February, 1924.

*** This Council recommends to the Governor General in Council that the New Capital Committee, Delhi, be reconstituted with non-official members in the majority."**

COUNCIL OF STATE.

Tuesday, the 12th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

THE HOWRAH-BOMBAY POSTAL EXPRESS.

81. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government state—

(*a*) if the report in the newspapers is correct that the Postal Express from Howrah to Bombay, which was done away with at the instance of the Inchcape Committee, is to be started again from February;

(*b*) if the reply to (*a*) is in the affirmative, the reasons for the change;

(*c*) if it is proposed to run a return Postal Express from Bombay to Howrah and also any other Postal Expresses; and

(*d*) the cost of whatever Postal Expresses are proposed to be run again?

THE HONOURABLE MR. A. H. LEY: (*a*) It is not quite correct to say that the Postal special train from Howrah to Bombay was abolished at the instance of the Retrenchment Committee, which made no such recommendation. It was however decided to abolish this special from the first week of April 1923 as a measure of economy. The report in the newspapers about the re-introduction of this special is correct.

(*b*) The present arrangement which involves making up the ordinary Bombay Mail train leaving Howrah on Thursday in two parts, one part to run to Victoria Terminus and the other to be diverted from Kurla to Ballard Pier is extremely inconvenient and has led to the detention of the mail steamer. There has also been curtailment in the hour of posting both in Calcutta and at all places from which the foreign mails used formerly to be conveyed by the Postal Special.

(*c*) The Special train from Bombay to Howrah in connection with the inward foreign mails was never abolished and is running now. There is no intention at present of introducing any other Postal Express.

(*d*) The cost of running the Howrah-Bombay Postal Express is Rs. 1,05,066 a year, as against expenditure in the cost of conveying postal vans by the ordinary trains amounting to Rs. 69,793 per annum.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Will the Honourable Member kindly tell us the average annual income from the Postal Express?

THE HONOURABLE MR. A. H. LEY: It is not a question of income, it is a question of expenditure.

THE HONOURABLE THE PRESIDENT: The Honourable Member, I think, said that there is no income from the Postal Express.

TREATMENT OF ASIATICS OTHER THAN JAPANESE IN INDO-CHINA.

82. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government state—

(*a*) if it is correct that all Asiatics, including Indians but excluding Japanese, when they proceed to Indo-China are required by that Government to give thumb and finger mark impressions of both hands and they are also required to have on their person their permit to go about in the country and are otherwise liable to imprisonment;

(*b*) if the same conditions at one time applied also to the Japanese but they have been subsequently excluded whilst restrictions against Indians still continue;

(*c*) if the Japanese have been excluded because the Japanese Government retaliated by compelling Frenchmen entering Japanese territory to have the impressions of their feet taken?

THE HONOURABLE MR. J. P. THOMPSON: The Government of India have no information, but endeavours will be made to obtain it.

ACQUISITION OF LAND BY INDIANS IN HONGKONG.

83. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government state—

(*a*) if it is correct that within recent years no Indian is allowed to own land or erect a house on such land on the topmost parts of the hill known as "The Peak" in Hongkong without the permission of the Governor; and

(*b*) the number of Indians who have applied for such permission since the rule came into existence and the number of cases in which the permission was granted or refused?

TREATMENT OF INDIAN VISITORS TO CEYLON.

84. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) Are Government aware that, whilst considerable latitude is shown to other visitors by the Ceylon Government, even very respectable Indian visitors on landing in Colombo are themselves and their luggage searched closely by the police and subjected to considerable annoyance and indignities?

(*b*) If the reply to (*a*) is in the affirmative, will Government state what action they propose to take to ensure equality of treatment to Indian visitors to Ceylon as is extended to Europeans or Japanese or others?

THE HONOURABLE SIR NARASIMHA SARMA: With your permission, Sir, I will answer questions 83 and 84 together, if the Honourable Member has no objection.

Government have no information regarding either matter and have received no complaints.

THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state if they have received a complaint from a prominent silk merchant of Bombay in regard to the indignities to which he was subjected when returning from Japan to Bombay *viâ* Colombo?

THE HONOURABLE SIR NARASIMHA SARMA: My attention has not been drawn to it, and, if the Honourable Member furnishes me with the information to which he has referred, I shall certainly look into it and see as to whether a case can be made out for instituting a further inquiry.

MESSAGE FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

THE HONOURABLE THE PRESIDENT: There is a message from the Governor General:

"*In pursuance of the provisions of sub-section (3) of section 67A of the Government of India Act, I hereby direct that the heads of expenditure specified in that sub-section shall be open to discussion in the Council of State when the Budget is under consideration.*

(Sd.) *READING,*
Governor General."

INDIAN COTTON CESS (AMENDMENT) BILL.

THE HONOURABLE SIR NARASIMHA SARMA (Member for Education, Health and Lands): Sir, I beg to move.

"That the Bill to amend the Indian Cotton Cess Act, 1923, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

It is, Sir, a very short Bill, and the objects thereof have been explained clearly in the Statement of Objects and Reasons. Experience in the working of the Indian Cotton Cess Act has revealed two defects. It has been pointed out to the Government of India that the cotton excise officers, in the presidency of Bombay, are under the Collector of Customs, Bombay. It will be convenient to continue to administer that department in the manner heretofore in vogue in that presidency. Clause 2 (*a*) makes provision for it and expands the definition of "Collector" in the present Act. It has also been brought to the notice of Government that by an oversight cotton exported from India to foreign territories cannot be taxed under the Cotton Cess Act, and power has been taken, therefore, to include that cotton for the purpose of the levy of the cess. The Indian Legislative Assembly has had the matter placed before them and has unanimously passed the Bill. I move that the Bill be taken into consideration.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Indian Cotton Cess Act, 1923, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE SIR NARASIMHA SARMA: I beg to move that the Bill, as passed by the Legislative Assembly, be passed.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Indian Cotton Cess Act, 1923, for certain purposes, as passed by the Legislative Assembly, be passed."

The motion was adopted.

RESOLUTION *re* RECONSTITUTION OF THE NEW CAPITAL COMMITTEE, DELHI, WITH A NON-OFFICIAL MAJORITY.

THE HONOURABLE MR. S. VEDAMURTI (Burma: General): Sir, I beg to move the Resolution which stands in my name. It runs as follows:

"This Council recommends to the Governor General in Council that the New Capital Committee, Delhi, be reconstituted with non-official members in the majority."

Sir, the questions that I asked in this House yesterday in connection with the Delhi New Capital Committee and my Resolution thereon to-day are intended to show the defects of an official body like the New Capital Committee and the necessity of non-official representation on it. I shall prove to this House from official records themselves the benefits that would have accrued,—and, in my opinion, that would still accrue,—by the association of non-officials on that Committee. The history of the New Delhi Capital Committee is as follows. The foundation stone of the New Capital was laid by His Majesty, the King-Emperor, on the 15th of December 1911. According to the first estimate made in 1913, the expenditure was to be Rs. 10,50,00,000. The Government of India reduced it by more than a crore to Rs. 9,17,00,000. It was afterwards admitted that the sanctioned amount was only a rough one based on insufficient material. In 1921, a revised estimate was submitted amounting to Rs. 12,92,00,000. The Government of India made certain modifications and it was raised to Rs. 13,07,00,000. The reasons assigned for the increase were the rates of labour, materials, plant and machinery, and freight, as the after-effects of the war, and the building programme consequent on the Reforms such as the Legislative Chambers for the Council of State, the Assembly, the Chamber of Princes and the accommodation for Members. The money expended on this scheme is as follows: In 1913-14, Rs. 85,00,000 was spent. It was then that the war broke out and there was a lull in the works. From 1914-15 to 1919-20 amounts varying between 39 and 54 lakhs per annum were spent. In 1920-21, 129½ lakhs were spent. In 1921-22, 142½ lakhs were spent. In 1922-23, 204 lakhs. Correct figures will perhaps be found in the Budget. According to the programme, the amount that will be spent in 1924-25 will be 150 lakhs. In 1925-26, 100 lakhs and in 1926-27, 72 lakhs. Sir, during all these years, when huge sums of money were being spent, the power of control rested, as it rests to-day, with an official body known as the New Capital Committee. After nearly 8½ crores were spent out of an estimate of Rs. 13 crores 7 lakhs, the idea seems to have dawned upon the Government that a Committee of officials and non-officials should be appointed to inquire "whether"—I am quoting from the terms of reference—"it is possible to effect changes in the New city project which will both lessen the cost and expedite the completion of the work." Consider, Sir, that after nearly 8 or 9 years had elapsed, that after more than half the amount had been spent, it was suggested that a Committee composed of officials and non-officials should be appointed to inquire whether any economy was possible. We have all heard of the familiar proverb—shutting the stable after the horse is stolen,—and here is a typical instance of it. However, the Committee was appointed—I understand that was the gift of the Honourable Sir Narasimha Sarma—under the presidency of the Honourable Sir Malcolm Hailey with six members, of whom four were Indians—one official and three non-officials. I am glad to find that one of the officials is here, but I regret the absence of the Honourable Lala Ram Saran Das who would probably have told this

House how the Members were "cabined, cribbed and confined" in their inquiry and how their inquiry was necessarily cursory. The Committee had felt that they were appointed late in the day. On almost every page of the Hailey Committee's report you will find expressions of regret that they did not find certain expenditure was essential, but at that stage they could not recommend any alteration in the design or reduction in the expenditure. I do not know when the Hailey Committee was appointed but it went into working order on November 1st, 1922, and completed its labours within ten days, before November 12th, 1922. The Committee saw that they were helpless to attempt to scrutinise the many hundreds of detailed estimates which comprised the project. In one place the Committee say:

"Many of the questions with which a Committee such as ours would ordinarily deal, as for example the question of the accommodation to be provided in the main building or of their designs, are already finally settled and work has progressed to a stage at which alterations are no longer possible."

Again,

"any change made at this juncture necessitating probably the cessation of work and the re-drawing of numerous plans would involve so much delay that the change would be administratively unjustifiable."

Speaking of the Government House, the report says:

"We note that at the instance of the Home Committee, a sum of Rs. 6½ lakhs has been added to the estimate for internal decorations and for the structural alterations necessary to enable effect to be given to the architect's ultimate scheme for the interior. While not convinced that the whole of this additional expenditure is essential, we find it difficult to recommend reduction at this late stage."

Then, again, Sir, speaking of the Viceroy's Court, Great Place and Central Vista, the Committee say:—

"The majority of us consider that the expenditure should be kept rigidly within the provision sanctioned and that no excess should be permitted even should it be necessary to re-draw the plans to obviate it."

Coming under the heading 'Local Administration office' under which is included the erection of two Hostels for the Members, the Eastern and Western Hostels, the Report says:

"The hostels, and particularly the Eastern Hostel, have never proved very popular."

Well, the unpopularity of these Hostels both in design and structure could have been brought to the attention of the New Capital Committee, if non-officials were there.

Speaking under the heading 'Imperial Record Office' the Committee say:

"The only elaboration being a stone facade, necessitated by its position in the Central Vista. We do not consider that any material saving is possible; the omission of the stone facade would involve a very considerable delay in redrawing the plans for the building."

Coming to the main residential scheme, I can point out to the House that, so far as accommodation of Indian members is concerned, it is most unsatisfactory. If any one would go into any one of the rooms of Indian officers he would find that there is no room for any guests who come in.

Under the heading 'Medical buildings' the Committee say:

"We are of opinion that the amount of 16 lakhs allotted for a hospital is excessive. We consider that a suitable hospital which would meet all present needs could be constructed for about Rs. 7½ lakhs, the design being such as to be capable of expansion in the future if necessary."

[Mr. S. Vedamurti.]

It is when the Report comes to the Legislative Chambers that we find the greatest possible censure that this Hailey Committee can pass upon the Capital Committee. In one paragraph the Committee say:

"The majority of us believe, however, that the circular design has added both to the cost and to the difficulties of construction, and had a simpler design been chosen the Legislatures could have been suitably accommodated possibly upon another site at a less expenditure than the Rs. 83½ lakhs provided for the purpose in the revised estimate. Three of the members of our Committee are so dissatisfied with the present design that they would be glad to see the work already done abandoned."

If I could hazard a guess I should think that those three members must have been Sir M. Visvesvaraya, Mr. B. S. Kamat and the Honourable Lala Ram Saran Das.

THE HONOURABLE SIR MANECKJI DADABHOY: Will you tell us the names of all the members of the Committee?

THE HONOURABLE MR. S. VEDAMURTI: Yes; they are as follows:

President.

The Honourable Sir Malcolm Hailey.

Members.

The Honourable Rao Bahadur B. N. Sarma,

The Honourable Rai Bahadur Lala Ram Saran Das,

Mr. B. S. Kamat,

Sir M. Visvesvaraya,

Mr. Thomas Smith, and

Mr. A. W. Dods.

THE HONOURABLE SIR MANECKJI DADABHOY: What was the number of non-officials?

THE HONOURABLE MR. S. VEDAMURTI: My impression is that three were non-officials.

THE HONOURABLE MR. A. H. LEY: There were five non-officials and two officials.

THE HONOURABLE MR. S. VEDAMURTI: Later on, the three members who desired a complete change both of design and site fully realised that only by special measures could the result aimed at be achieved. Fearing the risk of delay evidently, the three members had to give way and the Report itself says that "they have reluctantly decided not to press the proposal. We therefore make no recommendation for disturbing the existing arrangements."

Under the heading 'Miscellaneous public improvements' the Committee remark:

"We are informed that it will be necessary to substitute some other architectural feature in its place."

It means in the place of the Indrapat Reservoir.

"We are not convinced of this; in our opinion the Memorial Arch will form a fitting termination to the Vista and we strongly recommend that any work carried out beyond this point should be of the simplest and most economical character."

Well, I can go on quoting several passages from the Report. The only effect, however, that has been given to the report seems the omission of the electric generating station and high tension mains, and the transfer of a portion of the cost of Paharganj road to the railway. I might be asked: What could non-officials do after all on a Committee intended for supervising a special expert work. But here it is. This Committee say:

"We have recommended that the New Capital Committee should be kept regularly and accurately informed as to the progress of the work",

meaning thereby it was not done. It is really deplorable, Sir, that the Government of India did not grow wiser even after the Hailey Committee report. All the estimates that were submitted to the New Capital Committee were original estimates and, if non-officials were on it, they would have devoted more time to scrutinise the works and they would have been in a position to advise the Committee whether they were essential and whether they could be done at a less cost. When it is the declared policy of the Government of India that non-officials should be in a majority in local bodies, municipalities and Legislative Councils, it is but right that this House should recommend to the Governor General in Council that the New Capital Committee, which controls the expenditure of 13 crores of rupees of the tax-payers' money, should have a non-official majority on it. If my information is correct, the power of control has from this year onwards been transferred absolutely from the Government of India to the New Capital Committee itself. I was given a fright, Sir, yesterday that the Honourable Mr. Ley was going to cut the ground under my feet alleging that there are legal difficulties in the way, that the New Delhi Committee is an executive body and not an advisory body, that the non-officials would have no place on it and that I have no *locus standi* to move a Resolution to include non-officials on it. It must be a laborious process to him. My conviction is that I am on as solid a ground as is possible, and my impression is that the Honourable Mr. Ley stands on very slippery ground. However, I should like to see how he is going to prove that the New Capital Committee could not be re-constituted by the inclusion of non-officials in it.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, I am glad that the Resolution is not dealing with the transfer of the Capital. We have at first had one Committee and from the report that we have just had of the work of the second Committee it appears that the former's work has been so much disapproved by the latter that perhaps they would like to bring down all the buildings which are now being erected. If a third Committee is appointed, perhaps there will be no work left for them to do. There is, no doubt, a great cry in these days that the officials should be replaced by non-officials. But there is one thing good about the official and that is, that he is a paid servant. He remains present and has to work. If he does not work properly, somebody can ask him about his responsibility. But if there is a non-official he may go away and may never come to work. Who is going to compel him to do it? Sir, we are always very fond of these big Committees. But once they are appointed they rather retard the work and do not facilitate it. (*Cries of* "No, no.") It was only yesterday that we were dealing with a Committee, I thought that there were men present who knew their work well and that is why they suggested that there ought to be a small committee to carry on the work. As far as I know, it is difficult to find men who will be prepared to give up their business in order to work on these Committees

[Colonel Nawab Sir Umar Hayat Khan.]

for twelve months in Delhi. I do not think anyone is going to do it. Then, Sir, it may be said, "why not appoint Delhi people"? But, if we bring the Delhi people on to the Committee, they will have their own fingers in the pie, and I think that their lives will be worried out of them by their near relatives asking them for jobs and contracts. I do not think control of public funds ought to be given into the hands of those who can benefit by it.

Finally, Sir, I think that this Resolution would not serve any useful purpose. All of us who have the good of the New Capital at heart and like to see it finished as soon as possible desire only that all the facilities possible should be provided. So we do not want to have the work retarded by a new committee.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I support the idea which underlies this Resolution. I quite appreciate the arguments that have been advanced by my Honourable friend Mr. Vedamurti in favour of associating some non-official members in a matter like this. At the same time I do not underestimate the difficulties on the other side. There is no doubt that the present Committee is mainly a Departmental Committee, whose members have special knowledge and special technical qualifications. It must also be borne in mind that, as my Honourable friend has pointed out, there may be a hundred and one matters involving detailed investigation and examination of estimates, and perhaps in such cases the value of non-official assistance may not be so great as that of expert official members. At the same time we cannot overlook the fact that in a matter of such importance it would give the public some satisfaction if some non-official members possessing technical engineering knowledge were associated with the existing official Committee. The Government would lose nothing by agreeing to associate non-official members with this Committee. Of course, as my Honourable friend has said, his Resolution at this stage is something like locking up the stable door after the horse is stolen. Yet I think it will be of some value and create a good effect, and I therefore endorse the idea which underlies the Resolution that some non-official members ought to be associated with the Committee. In the original Delhi Capital Inquiry non-officials were associated, and I cannot understand why they were subsequently eliminated. But at the same time I deprecate the idea of having a majority of non-officials. I do not think a majority of non-officials will do any good. In my opinion there ought to be a majority of officials having technical and engineering knowledge and understanding the technical side of the business, and there ought to be a few non-official Indians possessing technical qualifications associated with them. I shall therefore, with your permission, accept this Resolution with only a little modification, namely, that the words " in the majority " in the last line be omitted.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member move an amendment?

THE HONOURABLE SIR MANECKJI DADABHOY: Yes, that the words " in the majority " be deleted. This will serve the purpose which my Honourable friend Mr. Vedamurti has in view, and I do not think the Government could possibly with any show of reason take objection to a simple Resolution like the one which has been moved by my Honourable friend.

THE HONOURABLE THE PRESIDENT: To the Resolution under discussion amendment moved:

"That the words 'in the majority' at the end of the Resolution be omitted."

That amendment and the original Resolution are open to discussion.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): Sir, I hope it will not be necessary for me to take up very much time on this question. It is rather a simpler matter than the one we were discussing yesterday. I am afraid I am in the unfortunate position of having to oppose both the original Resolution and the amendment, on the very simple ground that the Resolution and the amendment seek to establish a position which is frankly unconstitutional. As far as I could gather from my Honourable friend Mr. Vedamurti's speech, it was apparently his idea that this New Capital Committee is an advisory body advising the Government of India, in which case of course there would have been a good deal to be said possibly in favour of non-officials being represented on that Committee. I think there must be some misapprehension in my Honourable friend's mind and possibly in the mind of other Honourable Members of this House. If they are under the impression that this body is a Committee advising the Government of India, let me hasten to assure them that it is nothing of the kind. Incidentally, Mr. Vedamurti was not quite correct in his history of the New Capital Committee. That Committee has not been in existence, as he seems to think, since 1913 or before that. It was created in 1920. The history of the matter is simply this. Originally there was an Imperial Delhi Committee appointed in 1913 for the local administration of the work in the construction of the New Capital. That Committee did some very useful work particularly in drawing up project estimates. It was abolished in 1917 because the Government of India then considered that it was unnecessary for the Committee to continue for this purpose, and its functions were transferred to the ordinary head of the local administration, namely, the Chief Commissioner of Delhi. Subsequently it was discovered that this arrangement, which is the normal arrangement for the carrying out of public works, was not very satisfactory, more particularly from the point of view of expediting the work, because it involved frequent references from the Chief Commissioner to the Government of India in matters beyond the powers of the Chief Commissioner himself to settle and frequent references also between Departments of the Government of India concerned, more particularly the late Public Works Department and the Finance Department. Consequently, it was decided by the Governor General in Council that a body should be appointed *ad hoc*, which should have the full executive powers of the Government of India, not an advisory body at all. It is in fact, though not actually in name, a separate Department of the Government of India and nothing else. (*The Honourable Sir Maneckji Dadabhoy*: "Under what law have such powers been given to it?)" The Governor General in Council has complete power under the law to constitute any Department in any way he likes, I understand. That is the position. It was created merely with the idea of expediting the work and avoiding references from the local officials, the Chief Commissioner and the Chief Engineer. I can quite sympathise and appreciate the idea that there is a public desire, and very rightly so, that the non-official public generally should have a say in large questions of policy in connection with the construction of the New Capital, such as the general lay out of the new city, designs for the main buildings, and so on. And

[Mr. A. H. Ley.]

of course when questions of policy of this nature have arisen in the past, recently at any rate, the Government of India have appointed a Committee of non-officials, such as Mr. Vedamurti has referred to, known as the New Capital Inquiry Committee. And it is quite possible that, if large questions of policy of this kind arise in the future, Government may find it necessary to consider whether it is advisable to do so again. I rather think, however, that it is unlikely that this will occur. As the Honourable Mr. Vedamurti very rightly pointed out, these questions of policy, in which the public are generally interested, have been settled a long time ago; as he said, the horse has been stolen. Indeed his speech seemed to me to be a general attack upon Government for not having appointed a Committee, such as the New Capital Inquiry Committee, at an earlier stage. Well, I am not concerned at the present moment to defend the action of the Government in the past, some years ago, but the whole burden of his speech, as far as I understood it, was that when they appointed this New Capital Inquiry Committee it was already too late to lock the stable door; if that is so, how much later is it now, now that the lay-out of the city has long ago been settled and the buildings are nearing completion? I do not mean to suggest in my remarks that there is not a great deal of work still left to be done by the New Capital Committee. The work is extremely laborious as I know to my cost, but my point is this, that the main work of the New Capital Committee now is connected not with questions of policy of general public interest, but with purely administrative and technical details such as fall to the lot of any Public Works Department or any Department of Government, in which, as I think, the public themselves are not particularly interested. I have here in my hand, for instance, a copy of the proceedings of one of the meetings of the Capital Committee held last month. This is the sort of thing that comes before it. I will take the questions one by one as they arise:

Sanction to an estimate for sanitary services in the north and south blocks of the Secretariat;

sanction to an estimate for sewage disposal works, percolating filter, settling tanks, distributing pipes for percolating filters;

sanction to an estimate amounting to so much for constructing a silt and flushing tank on the main sewer near Delhi Gate;

sanction to an estimate amounting to so much for providing water supply and hydrants for syces' quarters, stables and coach houses;

note regarding the execution of an agreement with a temporary Engineer;

note regarding an extension of an agreement with an Architect;

sanction to an estimate amounting to so much for wiring for electric lights and fans;

supplementary estimate for installation of gas plant; estimate amounting to so much for filtered water supply for boiler feed, and supply of the Staff at Wazirabad.

It would weary the Council to go further through these details. I submit that these are the kind of administrative and technical details which are the ordinary work of a Department of Government, and it is, as far as I can see, an unheard-of procedure that they should be decided by a body on which non-officials are represented. And,

after all is said and done, if there is any desire that the public should take part in, or express their opinions on, matters of this character, the constitution as it exists at present affords ample opportunity for ventilation of opinion in these matters: questions can be asked, and are asked, in this House and in another place; Resolutions can be moved and are moved in this House and in another place, and also I may remind the Council that we shall shortly be electing a Standing Advisory Committee for the Department of Industries and Labour, to whom the Honourable Member in charge of the Department will be at liberty to refer any questions of policy. I submit, Sir, that this is the ordinary procedure, and that the constitution, as it stands, affords ample opportunity for the expression of public opinion on questions of this nature. I cannot agree, Sir, that there is any more reason for employing non-officials in this New Capital Committee, which, as I say, is in fact a Department of the Government of India, than there is in employing non-officials in any other Department acting in an executive capacity. Clearly, therefore, I must oppose the Resolution as originally moved and the amendment.

THE HONOURABLE MR. PHIROZE C. SETHNA: Who do the Committee consist of?

THE HONOURABLE MR. A. H. LEY: I am sorry I forgot to mention this. The Committee consist of a Member of the Viceroy's Executive Council, namely, the Member in charge of the Department of Industries and Labour, the Chief Commissioner, Delhi, a Secretary to the Government of India, that is myself, the Consulting Engineer to the Government of India, the Chief Engineer, Delhi, and a representative of the Finance Department, Mr. Brayne.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, this, as the Honourable Mr. Ley has put it, is strictly a constitutional question, and those who want to advance constitutional progress must yield and obey where such questions are raised. I think, therefore, after what the Honourable Mr. Ley has explained to the House, that we must recognize that the Committee, which is really a part of the Department, or rather representative of several Departments, cannot be fittingly associated with non-official Members. I am glad the Honourable Mr. Ley has mentioned the near future formation of Committees to be associated with a Department like the Department of Industries. If this Department is not behindhand in accepting the advice of non-official Members, I do not think that the departmental Committee, if there is a case made out for it, would refuse such assistance. I think enough of a case has been made out by Mr. Vedamurti for such association, this will be borne out by the personal knowledge of those who are watching with interest, sometimes keen personal interest, the progress of work in Delhi; I think enough of a case has been made out for association in some shape of non-official Members with this Committee. Therefore, if it is in order, I would ask permission to move an amendment as follows:

"That after the word 'Delhi', in substitution of the words, 'be reconstituted with non-official members in the majority', the following words be added, namely, 'be assisted in its work by an advisory Committee of non-officials till the work is completed.'"

This departmental Committee, or, more strictly speaking, this representative Committee of several Departments will, if this amendment is carried, be assisted by an advisory committee of non-officials,—I will not say non-official members—but of non-officials. There may be Delhi people with

[Dr. Sir Deva Prasad Sarvadhikary.]

axes to grind such as the Honourable Nawab Sir Umar Hayat Khan has alluded to; I am afraid in this imperfect world of ours, there is a lot of rusty axes always waiting to be ground, whether officials or non-officials control the thing. Those who have got to administer the Department in question must see if they can that the number of these rusty axes are as few as possible, but there will be some of these always and no one can prevent it, whether officials or non-officials control the situation. Non-officials on this score should not be barred out. There are men in the Punjab, Sir, like the Honourable Lala Ram Saran Das—who is not here to-day—who, I am sure, would be able to give time if there was a Standing Advisory Committee like this, and even birds of passage who for three months in the year have to put up with all sorts of conceivable and inconceivable inconveniences and difficulties may be able to give some slight assistance and advice that may be useful to the Department itself and to this Committee that takes the place of several Departments. From all these points of view, Sir, I think the House would be well advised if, conceding and accepting the principle, as the Honourable Sir Maneckji Dadabhoy has done and as the Honourable Mr. Ley has also done, the House were to consent to the association of such a non-official advisory Committee with the New Capital Committee. I do not want to go into details; I think everyone of us, if he had his way, could spend not a quarter of an hour but hours in detailing the various matters to which they would like to call attention in the development of the New Capital. It would be useless to do so and we have now passed that stage. No one, and in particular Sir Umar Hayat Khan, need be apprehensive about the question of transfer of capital being re-opened. I think we have also passed that stage. We are now loyally settling down in trying to assist the Government and the departments with our advice, if it is worth having, and letting the thing progress as quickly as possible. I therefore, with your leave, move the amendment and I hope it will commend itself to the House.

THE HONOURABLE THE PRESIDENT: Will the Honourable Member hand in at the table the wording of his amendment? Meantime the debate will proceed.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, the Honourable Mr. Ley has explained to the House the Government view in regard to this Resolution. The explanation that has fallen from him is certainly very lucid. It would mean that the executive Committee which the Government have appointed would have to take action from day to day and in consequence of that, if any non-officials are added to that Committee, their presence would be necessary, I suppose, almost every day or at least once a week, in which case the choice would necessarily be restricted to people staying in Delhi. There are however many matters,—important matters, matters of principle, matters of opening of new roads or something out of the ordinary,—in which advice might be taken of non-officials. With that view, I think the Honourable Sir Deva Prasad Sarvadhikary's amendment ought to be acceptable to the House and, if I support it, I do so with the knowledge that there does prevail a similar practice in at least one Provincial Government. As this House knows, the Bombay Government have undertaken a huge scheme for the development of Bombay City. This scheme involves nearly as large an expenditure as does the expenditure on New Delhi. When that motion was brought forward before the Bombay

Council, for having a department of Development Directorate, I happened to be a Member of that Council. I raised then this very point which my Honourable friend Mr. Vedamurti has raised here to-day. I suggested that non-officials might be associated with officials in the discharge of the work of the Development Directorate. Before that, I may remind my Honourable friend Sir Maneckji Dadabhoy, who said that the Government of India could not delegate their power to a Committee, that I believe the Bombay Government informed us they had the right to delegate their power to the Directorate of Development of the city of Bombay. The Government of Bombay refused to have any non-officials to help the Department, but they did accept to an extent the suggestion that fell from me and appointed an advisory Committee which still continues. Therefore, Sir, I think the amendment of my Honourable friend Sir Deva Prasad Sarvadhikary, if I may say so, is exactly on the lines of what does exist in regard to a very big development in one of the Provinces—a development which will cost the Bombay Government as much as New Delhi will cost the Government of India. Consequently, Sir, I have much pleasure in supporting my Honourable friend Sir Deva Prasad Sarvadhikary's amendment.

THE HONOURABLE THE PRESIDENT: Before I put the amendment formally, I should like to inquire from the Honourable Sir Maneckji Dadabhoy whether, in view of this amendment, he desires to ask for permission to withdraw his amendment.

THE HONOURABLE SIR MANECKJI DADABHOY: When I moved the amendment, I was not aware of the constitutional position of this Committee. I did not know then that it was an administrative body forming simply a department of the Government of India and that the powers of the Government of India had been delegated to that Committee. In view of the very lucid explanation given by the Honourable Mr. Ley, I am prepared to withdraw my amendment with the permission of the Council in favour of the amendment proposed by my Honourable friend Sir Deva Prasad Sarvadhikary.

The amendment moved by the Honourable Sir Maneckji Dadabhoy was, by leave of the Council, withdrawn.

THE HONOURABLE THE PRESIDENT: The amendment now before the House is:

> "After the word 'Delhi' to the end of the Resolution, the following words be substituted:
>
> 'be assisted in its work by an advisory committee of non-officials till the work is completed.'"

That amendment and the Resolution are still under discussion.

THE HONOURABLE MR. A. H. LEY: Sir, if it is understood by this amendment that it is not necessary for the Government to appoint another and an additional Committee, and, if we can utilise the services of the Committee to which I referred and to which my Honourable friend Sir Deva Prasad Sarvadhikary referred, namely, the Standing Advisory Committee of the Department of Industries and Labour, which will be an advisory Committee to that department, I have no objection to accepting the amendment on that understanding. I think that was the Honourable Sir Deva Prasad Sarvadhikary's intention. (*The Honourable Dr. Sir Deva Prasad Sarvadhikary*: "No, no.") We are going now to appoint a Committee which will be an advisory Committee to the Department of

[Mr. A. H. Ley.]

Industries and Labour and that Committee, I submit, Sir, can equally well advise the New Delhi Capital Committee, which is really a part of the Department of Industries and Labour or at any rate on very much the same lines. I should be quite prepared, on that understanding, to accept the amendment.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, that was not my intention. On the other hand, I think the Committee, to which the Honourable Mr. Ley referred, would necessarily be one on which people who could always attend will not be available. And the Committee that the Honourable Mr. Ley has in his mind would have much more to do than they can if the Department desires their full advice on New Delhi. The Committee I have in view was indicated by the names that I mentioned—men like the Honourable Lala Ram Saran Das or some resident in and about Delhi, who would be always available.

THE HONOURABLE THE PRESIDENT: The Honourable Member does not make it clear in his amendment. He had better make it clear.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: As far as I can see, Sir, it is clear. The amendment is for the substitution of the words " be assisted in its work by an advisory Committee of non-officials till the work is completed. " That explains the situation entirely.

THE HONOURABLE THE PRESIDENT: Will the Honourable Member pass the amendment to the table.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I have added the words " to be specially appointed. "

THE HONOURABLE THE PRESIDENT: The Honourable Member has suggested to the House the insertion of the words " specially appointed. " It will meet his point, but I am unable to agree that it fully meets his case. As I understood his explanation of his intention, he desires that the members of the Committee should not only be specially appointed, but should be persons continuously present in Delhi or be likely to be present.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: That is what I am indicating by way of suggestion to the Government. In appointing the Committee, they will probably bear it in mind that the services of the members should be had who would be easily available.

THE HONOURABLE THE PRESIDENT: If it is a condition it should appear in the amendment, if it is merely an argument it need not do so. However, I leave it to the Honourable Member.

THE HONOURABLE MR. A. H. LEY: I am afraid, Sir, with this explanation I cannot accept this amendment. I have agreed that we should be free to consult the Standing Advisory Committee. The question is one of expediting the work as far as possible. They are purely technical details—nearly all of them; and, if we have always got to refer each question to a particular non-official member, I am afraid the work will be very seriously delayed. I am quite prepared to consult, whenever it is considered necessary, the ordinary Advisory Committee of the Department.

THE HONOURABLE MR. C. A. BARRON (Delhi: Nominated Official): Sir, may I intervene in this debate to point out one or two practical considerations in connection with this amendment. This advisory Committee of non-officials which, it is suggested, should be appointed. What is it going to do? The main lines of the work have been laid down and the work has been proceeding on those lines for several years. The sums allotted under the various heads, sub-heads, and sub-sub-heads— there are hundreds of them—are all given in detail in the printed project estimates. No expenditure can go outside those estimates without the sanction of the New Capital Committee, and very often the sanction of the Secretary of State. A large work like this cannot be altered in any essential details from day to day. No advisory Committee could now suggest that the main buildings should be moved to another site. The roads, the railway system, the sewage scheme, the electric lighting scheme, these are all big matters which take up a vast proportion of the total expenditure, and cannot now be changed. We have already had, as has already been mentioned by the Honourable Mover, an Advisory Committee. This consisted of seven Members, five of whom were non-officials.

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THE HONOURABLE SIR MANECKJI DADABHOY: That is a defunct body now.

THE HONOURABLE MR. C. A. BARRON: It sat only last year. It went through the whole of the project and it showed where alterations could be made and where alterations could not be made at this stage of the proceedings.

THE HONOURABLE SIR MANECKJI DADABHOY: But it is now *functus officio*.

THE HONOURABLE MR. C. A. BARRON: It may be defunct, but its advice still remains. And as an instance of that advice I may mention that only at the last meeting of the New Capital Committee the scheme referred to by the Mover of the Resolution with regard to the Indarpat Reservoir scheme came up for discussion. The House will remember that the Advisory Committee said that beyond the Indian War Memorial Arch as little money as possible should be spent on that area. The architect responsible for this particular part of the work was present at that meeting, and I am afraid the New Capital Committee ruthlessly threw out the enormous amount of money he wished to spend there and cut the thing down to the absolute minimum in accordance with the advice of this defunct Committee. My point is that we have already had only last year this Advisory Committee composed almost entirely of non-officials. The advice of this Committee is being acted up to.

THE HONOURABLE MR. S. VEDAMURTI: It completed its labours over a year ago. It reported in November 1922.

THE HONOURABLE MR. C. A. BARRON: I accept the correction, Sir. The Committee finished its labours about 15 months ago and not a year ago. The difference is slight. This work began in 1913. The advice of that Committee is being followed as far as possible by the New Capital Committee. I do not think that a further Committee of non-officials could be consulted on anything but the most trivial details. They would very soon get so bored with their work that the Committee would hardly ever meet.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, I did not propose originally to intervene in this debate as my experience of the New Capital Committee is about a year old and I have no up-to-date information as to what exactly is going on in the Department of Industries and Labour with regard to this particular subject. But, having been in charge of the Department of Public Works for some time, and having been connected with the Capital Committee, I think I ought not to allow some observations made by the Honourable Mover to go absolutely unchallenged, because an impression might be created that the Government admit that in the past their policy might have been varied considerably if the help of non-officials had been sought at an earlier stage when the horse was not stolen, and that it is now too late perhaps to lock the door. I wish it to be clearly understood that the Government do not admit that any very great changes would have been possible having regard to the peculiar circumstances of the construction which had to be undertaken in New Delhi by reason of any extraneous assistance which could have been obtained, at any rate in the late stages of the adoption of this scheme. Allusion has been made to a difference of view with regard to the construction of Legislative Chambers. Of course, the plans had been settled long before I assumed charge. Therefore, I may say that I was not directly or indirectly responsible for them. But still, having gone through the records of those dates, I must state on behalf of the Government that the matter was very very carefully inquired into. The different views which were expressed by certain sections of the Committee, which was appointed in 1922-23, were taken into consideration before a final decision had been reached. It was not therefore without a considerable discussion of the merits and the demerits of the particular type of building which was finally adopted that the Government had come to a decision. But it was after the most anxious inquiry and after consulting all their expert advisers that a final decision had been reached as to the particular type of building, having regard to the locality in which it had to be fixed. I am not here now to justify as to whether that particular decision was a correct decision or not. All that I am trying to insist on is that the opposite view, which could have been put forward, has been put forward and it has been anxiously inquired into and the Government have felt that there was no alternative but to adopt the proposals which their expert advisers had put forward, and that it was the only possible and feasible scheme under the circumstances in which the construction had proceeded up to that point. Various points of detail might have been possibly altered with reference to the accommodation which has been provided in the various buildings in Raisina. But I understood that some of the non-official members of the old Legislative Assembly had been taken into confidence with regard to the construction of the hostels before the final plans were evolved. That was of course before my time. But still it was not without some non-official advice that the final plans were evolved. If experience has proved that that advice might have been different, it is to be regretted; but the Government did what they could in that regard before the plans were finally approved.

The question of the cost was alluded to at some length. It has also formed the subject-matter of an inquiry both by the Capital Committee which sat in 1922-23 and by others who investigated the problem, and I am free to admit that, if the buildings had been completed before the war came on, considerable savings would have been possible having regard to the low wages and the small cost of materials that prevailed before the

war. But, owing to reasons with which all the Honourable Members are familiar, it was impossible to spare any money or to find officers to execute the work during the war. With the enormous increase in prices and in wages after the war there was no alternative for the Government but to face the increased expenditure if they were to go on with the scheme which had been originally contemplated. Even now they find that they are not able to accommodate all the officials of the various departments in New Delhi and some doubts have been felt as to whether some new buildings have not to be constructed in order to provide accommodation for all the officers, both superior and subordinate, in Raisina. The elaborate embellishments that were at one time hoped for have been ruthlessly cut down and it is believed that, after the scheme on its existing lines is completed and handed over to the Government, the public themselves will come forward and press upon the Government various items of expenditure in order to make some of these buildings worthy of the New Capital. But that is in the distant future and it will be for the then non-official Members of the Legislature to consider what steps should be taken to improve the exterior and interior of public buildings of which all of us ought to be proud as a nation. I have made these remarks for the simple purpose of explaining to the House and to the outside public that the Government have been very vigilant in the past and have tried to reduce the cost to the lowest possible minimum, to such good effect that those who have intimate knowledge of the construction of similar buildings in London and other places are surprised at the phenomenally low cost at which we have been carrying out our works in the new city of Delhi.

To come to the immediate object of the Resolution, I ask Honourable Members, especially after the explanation which has been given by the Honourable the Chief Commissioner and the Honourable Mr. Ley, whether any considerable purpose would be served by the appointment of another advisory Committee to assist the Delhi Committee in their labours. Being a non-official myself and knowing the minds of my non-official friends, I went into some of these questions with a view to finding out whether it was possible to devise any machinery by which the assistance of public opinion could be utilized in the matter of the granting of contracts, in reducing expenditure, and so on. But I realized that the task was hopeless, for the simple reason that all the plans had been settled and any disturbance of them at this stage would mean enormous delay and additional expenditure. No contracts of any value are accepted except by tender. Responsible officials have to accept these tenders after careful scrutiny, and I therefore felt that by associating non-officials with the Executive and Superintending Engineers, who are in charge of the work, or with the Delhi Committee, nothing could be gained, while the officers who are in charge of the work would deeply resent any interference from the outside public in these matters, doubtless considering that suspicion was thrown upon them by so doing. I would ask Honourable Members to remember that in all these matters tenders are invited, carefully scrutinised by the officials in charge, and only then accepted. The work is done on that system and therefore not much of a saving could be effected. The designs are there and have been settled; it is therefore not to be expected that an advisory committee would be of any great use. There are several points of conflict between the New Capital Committee and the citizens of Delhi, *e.g.*, in regard to the water supply, the purchase of building sites in New Delhi, and so on. But harmony I believe has recently been restored and I should be sorry to see any further friction arise. I think, if Honourable Members take an interest in the matter, they have it in their power

[Sir Narasimha Sarma.]

by continued vigilance on the Advisory Committee, which is to be associated with the Department of Industries and Labour to press any reforms which they may desire and bring sufficient pressure to bear upon the Government to see that their wishes if reasonable and arguable prevail; for it has to be remembered that the members of that Advisory Committee will also be Members of the Council of State and the Legislative Assembly. I would therefore commend the Honourable Mr. Ley's suggestion that only such Members as care to devote their time to this task should come forward to serve on this Advisory Committee. And, if we can find Members of both Houses who are able to spare the time for this purpose, I think the Government would be ready and anxious to seek their assistance. If only Rs. 10,000 was saved as a result of their labours, I think both the Government and the public would be extremely grateful to them. I think therefore that the suggestion that residents of Delhi should be associated with the New Capital Committee should be dropped at this stage. As for outside assistance, it is very difficult to get it. It was very difficult for me to get Members to stay for some time when we sat in November 1922, and Honourable Members will readily understand why it was so. It is unlikely therefore that we can get expert engineers from outside Delhi to come and assist us. Besides, as you perfectly know, no two engineers ever agree on most points. I think the work is being expedited smoothly and if Honourable Members will accept the suggestion I have offered with regard to the Standing Advisory Committee attached to the Department of Industries and Labour they will inspire confidence both in the public and in the Government.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, I have consulted some of my Honourable friends on this side of the House and I am prepared to fall in with the view which has been suggested. I would therefore, with your permission, like to omit from my amendment the words "specially appointed."

THE HONOURABLE THE PRESIDENT: Is it your pleasure that in the amendment moved by Sir Deva Prasad Sarvadhikary the words "specially appointed" be omitted.

This portion of the amendment was, by leave of the Council, withdrawn

THE HONOURABLE THE PRESIDENT: The amendment now stands as follows:

"That the words from 'be reconstituted' to the end be omitted and the following be substituted:

'Be assisted in its work by an advisory committee of non-officials till the work is completed.'"

THE HONOURABLE MR. S. VEDAMURTI: Sir, as my object in moving the Resolution is merely to see that somehow or other non-officials are associated with the New Capital Committee, I am willing to accept the amendment that has been moved by Sir Deva Prasad Sarvadhikary. In doing so I should like to point out that after all it is not an unheard-of procedure that it is proposed to follow. If I may quote the instance of Japan for the edification of the Honourable Mr. Ley, I can tell him that for the reconstruction of Tokio and Yokohama, which have been ruined by the recent earthquake, there has been constituted a Board of Construction evidently equivalent to the New Capital Committee which is under

the control of the Cabinet and which is to be assisted by an Advisory Committee of Reconstruction composed of eight prominent men, besides the Cabinet Ministers, such as leaders of political parties, influential members of the House of Peers, Privy Councillors and Directors of leading Companies. After all, it is not an unheard-of procedure, it is a procedure that is followed in other lands; and to the argument that has been advanced by the Honourable Sir Narasimha Sarma that non-officials will be of practically no use, there has been the answer of the Honourable Mr. Barron, who said that the Hailey Committee has been of much use and that even to-day its advice is being taken . . . .

THE HONOURABLE SIR NARASIMHA SARMA: I have not said that non-officials will be of practically no use; on the other hand, I welcome the suggestion that they should be employed for the purpose of assisting us in the manner suggested by the Honourable Mr. Ley.

THE HONOURABLE THE PRESIDENT: The original Resolution moved was:

"This Council recommends to the Governor General in Council that the New Capital Committee, Delhi, be reconstituted with non-official members in the majority."

To that Resolution an amendment has been moved:

"That for the words after 'Delhi,' the following be substituted, 'be assisted in its work by an advisory committee of non-officials till the work is completed.'"

The question is that that amendment be made.

The motion was adopted.

The further question therefore is that the following Resolution be adopted:

"This Council recommends to the Governor General in Council that the New Capital Committee, Delhi, *be assisted in its work by an advisory committee of non-officials till the work is completed.*"

The motion was adopted.

THE HONOURABLE SIR NARASIMHA SARMA: I take it, Sir, that the non-official advisory committee referred to is the Standing Advisory Committee. On that understanding, I do not oppose.

THE HONOURABLE THE PRESIDENT: I put the question to the House, and I understand it accepted the motion. The Resolution, as amended, is therefore carried.

The Resolution, as amended, was adopted.

OFFICIAL BUSINESS FOR THURSDAY, THE 14TH FEBRUARY, 1924.

THE HONOURABLE THE PRESIDENT: Has the Honourable the Leader of the House any statement to make as to future business?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, the next meeting of this Council for official business will be on Thursday, the 14th instant, on which day, as already announced, motions will be made by His Excellency the Commander-in-Chief that the Cantonments Bill be taken into consideration and passed. There is also a motion in

[Dr. Mian Sir Muhammad Shafi.]

the name of the Honourable Sir Narasimha Sarma regarding the election of Members for the Standing Committee to advise on questions relating to emigration in the Department of Education, Health and Lands, and a motion by the Honourable Mr. Crerar regarding the election of a member of the Standing Publicity Committee in place of Sir Purshotamdas Thakurdas who has ceased to be a Member of this Council. Thereafter, as you announced yesterday, Sir, there will be elections to the departmental Advisory Committees. I am not at present in a position to make any announcement as to the official business which may be brought before the Council on Tuesday, the 19th as the agenda will depend on the progress made with legislation in another place during this week.

THE HONOURABLE THE PRESIDENT: That finishes the business of the day. I therefore adjourn the Council till 11 a.m. to-morrow.

The Council then adjourned till Eleven of the Clock on Wednesday, the 13th February, 1924.

COUNCIL OF STATE.

Wednesday, the 13th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

Delay in the Arrival of the English Mail.

85. The Honourable Dr. Sir DEVA PRASAD SARVADHIKARY: Has the attention of the Government been called to the complaints of the mercantile community and of the public at large to the delay in the arrival of the Mail from England? What steps do the Government propose to take and when for removal of the grievances?

The Honourable Mr. A. H. LEY: Yes. The Director General, Posts and Telegraphs, has already taken up the question with the British Post Office.

The Honourable Dr. Sir DEVA PRASAD SARVADHIKARY: What was the delay due to, and what steps are going to be taken?

The Honourable Mr. A. H. LEY: I am not sure that I can answer that question. There has been delay on very numerous occasions recently. I suppose it is largely due to the Company's having to employ ships of slower speed than formerly.

Delivery of the English Mail in Delhi.

86. The Honourable Dr. Sir DEVA PRASAD SARVADHIKARY: (*a*) Are the Government aware that the hours of delivery of the English Mail in Delhi are considered unsatisfactory? Do the Government propose to take any steps for removal of the complaint?

(*b*) Are the Government aware of similar complaints regarding the delivery of other letters and registered articles in Delhi? Do the Government propose to take steps for removal of the complaint, particularly during the Legislative Sessions?

The Honourable Mr. A. H. LEY: (*a*) and (*b*)—Government are not aware that the existing hours of delivery either of the English Mail or of other letters and registered articles in Delhi are considered unsatisfactory, as the Post Office had received no complaints from the public. If the Honourable Member will let me know more precisely what his complaint is, I will see if it is possible to remedy the matter.

The Honourable Dr. Sir DEVA PRASAD SARVADHIKARY: Does the Honourable Member think that there is any grievance which can be made public in Delhi?

(No answer was given to the question.)

PENSION OF DEPUTY COLLECTORS, UNITED PROVINCES.

87. THE HONOURABLE LALA SUKHBIR SINHA: With reference to my question* asked in this Council on 17th January, 1922, and the reply given by the Honourable Mr. S. P. O'Donnell, on the subject of the revision of Article 375, Civil Service Regulations, for not counting the two years' probationary period or the period of passing Departmental Examinations for service required for pension of Deputy Collectors in the United Provinces, will Government be pleased to state what they have decided to be done?

THE HONOURABLE MR. J. CRERAR: Subject to the rule in Article 358 (*a*) of the Civil Service Regulations, a Deputy Collector in the United Provinces, or elsewhere, may on confirmation count service for pension from the date of his first appointment as a probationary Deputy Collector. Local Governments have also been empowered to allow certain officiating and sub *pro tem.* service to count towards pension pending the issue of the new Pension Rules when they will be invested with full powers in respect of all service other than permanent service.

DEFECTS AT THE HARDWAR RAILWAY STATION.

88. THE HONOURABLE LALA SUKHBIR SINHA: With reference to my question† asked on 28th February, 1922, will Government be pleased to state the result of inquiries made about some defects at the Hardwar Railway Station?

THE HONOURABLE MR. D. T. CHADWICK: The Honourable Member's attention is invited to Colonel Sir Danvers Waghorn's letter No. 222-T.-17. dated 3rd March 1922, to him, communicating the result of inquiries made and also to the replies‡ given to question Nos. 203 and 206 asked in this Council on 26th March 1923. If the Honourable Member has not received the letter referred to, I shall be very glad to see that he gets a copy.

RETURN AND CONCESSION TICKETS ON RAILWAYS.

89. THE HONOURABLE LALA SUKHBIR SINHA: With reference to my question§ asked on 24th January, 1923, regarding the re-introduction of return and concession tickets on reduced rates on Indian Railways, will Government be pleased to state what the Railway Administrations have decided in the matter?

THE HONOURABLE MR. D. T. CHADWICK: The Railway Administrations state that they are not yet in a position to issue ordinary or six-monthly return tickets at reduced rates generally. Most of the principal railways, however, allowed return journey concessions during the recent Puja and Christmas holidays.

THE HONOURABLE MR. G. A. NATESAN: Is the Honourable Member aware that considerable difficulty is being felt by business men owing to the non-introduction of these season tickets?

THE HONOURABLE MR. D. T. CHADWICK: A certain amount of inconvenience must be felt necessarily for want of these facilities, but it is

* *Vide* p. 565 of Council of State Debates, Vol. II.
† *Vide* p. 931 of Council of State Debates, Vol. II.
‡ *Vide* pages 1400 and 1401 of Council of State Debates, Vol. III.
§ *Vide* p. 529 of Council of State Debates, Vol. III.

the desire of the Railway Administrations that they may be able to introduce these facilities as soon as they possibly can; they have made a start by introducing return tickets for the Puja and Christmas holidays.

THE HONOURABLE LALA SUKHBIR SINHA: Is it a fact that the O. & R. Railway has already introduced ordinary fortnightly return tickets?

THE HONOURABLE MR. D. T. CHADWICK: I am extremely glad to hear it. It proves my point that the railways hope to introduce these return tickets; I am extremely pleased to hear that one railway has done so, and I thank the Honourable Member for giving this information to the House.

THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to ask the G. I. P. Railway to reconsider the introduction of coupon tickets from Bombay to hill stations and Bombay to Poona and Deolali and Nasik?

THE HONOURABLE MR. D. T. CHADWICK: I know no reason why the introduction of these coupon tickets should be reconsidered. The Honourable Member has not given any reason. Did he mean reconsidered or re-introduced?

THE HONOURABLE MR. PHIROZE C. SETHNA: Re-introduced.

THE HONOURABLE MR. D. T. CHADWICK: Yes; I am perfectly ready to ask the G. I. P. Railway to consider the re-introduction of any facilities that they can as soon as possible, and I will bring this one to their notice.

VISIT OF MEMBERS TO THE LEGISLATIVE BUILDINGS IN RAISINA.

THE HONOURABLE THE PRESIDENT: Before we proceed to the business of the day, I have been asked to inform the Council that, in view of the great interest that was taken in yesterday's debate, and in view of the fact that Members may be desirous of seeing what is being done in the matter of the Legislative buildings in Raisina, the architect has informed me that, if a sufficient number of Members so desire to visit the new building, he will be happy, if a time could be arranged, to show them round. If Honourable Members who desire to accept this kind offer will communicate with the Secretary, he will inform the architect accordingly and they will thus be able to see what is being done.

IMMIGRATION INTO INDIA BILL.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, under clause 26 of the Standing Orders contained in the Manual of Business and Procedure, I have given notice of my intention to move that the Bill to regulate the entry into and residence in British India of persons domiciled in other British Possessions be taken into consideration and I now have the honour to move that the Bill be taken into consideration.

[Dr. Sir Deva Prasad Sarvadhikary.]

As Honourable Members are aware, the Bill was passed by the Indian Legislative Assembly on the 27th July last and, as the Council was then prorogued, there was no earlier opportunity of bringing up the matter before this House. Without bringing it up and getting it passed by this House, the Bill cannot be submitted for the purpose of reaching its final stage. It is necessary, Sir, that some Member should give notice of his intention, such as I have given, and, as I happened to be a Member of the Assembly at the time that this Bill was passed, it gives me satisfaction to be able to ask this House to pass it and to pass it without any amendment, if possible.

Sir, the principles underlying the Bill which were fully discussed in the Legislative Assembly, are contained shortly in three pronouncements of the Imperial Conference from time to time. I do not want to take up the time of this House at this stage by making any elaborate reference to the reasons which necessitated the passing of the Bill; but I think I ought to place these three extracts before the House. In 1918, the Imperial Conference resolved:

> That it is an inherent function of the Government of the several communities of the British Commonwealth including India that each should enjoy complete control of the composition of its own population by means of restriction of immigration from any of the other communities."

The next was in 1921 when the Imperial Conference again resolved as follows:

> "This Conference whilst re-affirming the Resolution of the Imperial War Conference in 1918 that each community of the British Commonwealth should enjoy complete control of the composition of its own population by means of restriction of immigration from any of the other communities, recognises that there is an incongruity between the position of India as an equal member of the British Empire and the existence of disabilities upon British Indians lawfully domiciled in some other parts of the Empire. The Conference accordingly is of opinion that, in the interests of the solidarity of the British Commonwealth, it is desirable that the rights of Indians to citizenship should be recognized."

As the House will remember, this Resolution was passed practically unanimously, the dissenting voice coming naturally from South Africa. Then we have this further pronouncement to the following effect:

> "That British citizens domiciled in a British country, including India, should be admitted in any other British country on certain conditions;"

and one of the conditions was:

> "That the right of the Government of India is recognized to enact laws which shall have the effect of subjecting British citizens domiciled in any other British country to the same conditions when visiting India as are imposed on Indians desiring to visit such country."

At this hour of the day, when public feeling is excited over what is going on abroad regarding our Indian fellow-citizens, I shall not utter one word which would be an appeal to the passions and prejudices which we would like to do all we can to allay. We are here engaged, as a matter of fact, on a piece of legislation which is a business proposition, following the principles adopted by the Imperial Conference to which I have drawn the attention of the House, and which is absolutely the minimum that could be done under the circumstances. The Assembly with the assistance of all the parts of the House—and I would add with the assistance of the Government,

certainly at least not in the face of any violent opposition from the Government—adopted the measure which has been embodied in the Bill, which I am now asking you to consider.

Honourable Members will find that the Bill practically consists of one operative clause, clause 3, which gives the sanction, and declares that:

"The Governor General in Council may make rules for the purpose of securing that persons not being of Indian origin, domiciled in any British Possession, shall have no greater rights and privileges, as regards entry into and residence in British India, than are accorded by the law and administration of such Possession to persons of Indian domicile."

That strictly carries out the principles to which I have called the attention of this House, and Honourable Members will notice that there is nothing in the shape of any mandatory injunction in the Bill so far as the Governor General in Council is concerned. As the Bill was originally framed, the intention was clearly mandatory, but, in deference to the strong appeals that were made on the occasion and having regard also to the great efforts that the Government of India were making, efforts that were well seconded in England, for the purpose of bringing about amicable relations as far as possible, the Assembly ultimately agreed that it would for the moment be satisfied if a general declaration and sanction was embodied in the Bill. That is how the Bill was ultimately passed without going to a Select Committee and that is how, I say, with the assistance of all parts of the House including the Government Benches, the Bill took the shape in which it is now coming before us for consideration. I do not think I need now take up the time of the House at this stage by further elaborating the matter, and I content myself with moving that the Bill, as passed by the Legislative Assembly, be taken into consideration.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, I rise to support my friend, Dr. Sir Deva Prasad Sarvadhikary, first, because the Bill is an old friend of mine, coming back to me as it were. It may be remembered that in March, 1922, I moved a Resolution in this House to the following effect:

"This Council recommends to the Governor General in Council that when rights and disabilities are conferred or imposed on Indians by the laws of any Colony, legislation be undertaken to confer or impose the same rights or disabilities on the subjects of that Colony in British India."

Sir, I do not propose to repeat what I said then in support of my proposition, but I only wish to point out that this matter attracted attention as early as 1911. Lord Crewe then mentioned this matter and supported it. It came on again, when Lord Sinha went to England in 1917. Then in 1918 again the same thing came up, and then in 1921 again, my friend thinks it came up, but I do not remember that occasion; anyhow I brought up this matter in 1922 when the Resolution was discussed and argued. After all, it does not require much argument, because it is an old principle embodied in every principal religion which is "do unto others as you would be done by". It finds its place in the Christian Bible; it finds its place in the Hindu doctrines. *Ye yatha mam prapadhyante thams-thathaiya bhajamyaham*; it finds its place in the Koran and it is current all over the civilized world and that principle can be brought into politics very successfully, I think. The great recommendation is that it is not a war measure. It began in 1911, when war was not much talked of or much believed in. It is an eternal principle brought in during peaceful times and, now that

[Mr. G. S. Khaparde.]

peace prevails, it is only right that we should seek to introduce it here, and give it what is called "legislative sanction," if I may use that phrase. It is a well-recognised and good principle. We want it now. It is a measure very carefully drafted in the other House, by which we are asking our Government to legislate and frame rules and give effect to them, if and when they think it necessary, for the purpose of regulating the entry into and residence in British India of persons domiciled in other British Possessions. I am only asking for the imposition of the same kind of conditions on the citizens or inhabitants of Colonies in this country as those Colonies are putting on our people there. We do not want to be unjust to all the Colonies. We do not want to enforce these rules in the case of the Colonies who have proved good to us. It is only on those who have imposed disabilities on us that we propose to impose the same kind of disabilities here. This cannot be called retaliation. Retaliation is when you do something worse than what has been done to you. That is tit for tat. Our object is not that. What we say is let the people of Colonies who are here also undergo the same kind of disabilities, and when they feel the inconvenience, they and we will mutually agree to remove the whole thing altogether.

Sir, when I moved my Resolution, I was advised by almost every Member to withdraw it, because I was told that there were delicate negotiations going on. My friend, the Right Honourable Srinivasa Sastri was expected to go on tour in these Colonies. Then there were other matters that were urged and I was told it was premature. I am, Sir, a little bit of an obstinate man, and I said that it was not premature, because it began as early as 1911, and eleven years had gone by. I said that it could not be premature, but still, in deference to the wishes of my Honourable friends, I withdrew my Resolution. I am however very glad to see, Sir, that this Resolution has attracted attention and is taken up to-day, in fact, I may say that my Resolution has been transformed into a Bill. My Resolution has been slightly expanded, it has been put into proper legal language and brought up again before this House. So Honourable Members can easily imagine how pleased I am that the matter has come up before this House to-day. In the other House also in the course of the debate it was suggested by some speakers that it was somewhat premature to bring up this question. My point was that it had been before the world for eleven years—from 1911 to 1923 about twelve years have gone by, that is a period in India which we regard as very sacred, because everything becomes completely established, twelve years make a generation here,—and so I said it was not premature at all, because as everybody knows 'a faint heart never wins a fair lady'. If you are afraid, you will for ever be put down. The best course is to take time by the forelock, be early and strike first. We have waited for twelve years, it is all but too late, one might say, from my point of view. Anyhow, this has been brought forward, I am very glad of it.

This Bill, Sir, is a very harmless measure. It does not ask the Government to act immediately, it does not ask the Government to do anything very serious, but it only asks them to frame rules so that they may give effect to them at the proper time and in such manner as they think fit, I mean rules for imposing the same conditions regarding the entry and residence of Colonials here, as they have put upon our people there. This is

a very harmless Bill, and I am very glad indeed that my old friend has come back to me now. I therefore strongly support this proposition.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I too rise to support this Bill. My only regret is that this is a private Bill, and not a Government Bill. I say it is my regret for, I should have thought that after the Resolution passed by the Imperial War Conference in 1918, which was quoted by my Honourable friend, Dr. Sir Deva Prasad Sarvadhikary, the Government of India would have themselves brought forward a measure of this kind. I have heard it stated that a measure of this kind was contemplated when Lord Sinha was in the Government of India, but what came of that intention, whether the Bill was drafted or not, I am not in a position to say. But I repeat that I should have certainly welcomed and would have certainly expected the Government of India to have brought forward a measure of this kind. As my immediate predecessor, the Honourable Mr. Khaparde, has observed, the Bill is a harmless one. I will add it is not a mischievous one, as it is represented on some sides. The Bill only gives enabling power to the Government of India. The reasons which prompted the Honourable Mover in the other House to bring forward this Bill were briefly enumerated by him in the number of disabilities to which Indians overseas were subjected. I think he summarised them in the following manner. In South Africa there was prohibition of the issuing of hawking licences to Indians. In Natal there was prohibition against Indians buying or even leasing municipal land. In the Transvaal an Indian had no right to acquire land except in demarcated areas. Such demarcated areas were embodied in an Ordinance; but subsequently they went further and even reduced the size of such demarcated areas. In the Transvaal and in other parts there is complete segregation in towns. On the top of this and as if this were not enough, we know that there is the social boycott, Indians not being allowed to stay in hotels, Indians not being allowed to travel in same compartments in which others do. Sir, these are very great disabilities, and they go on adding to the number. There is just now the Segregation Act about which we read the following telegram, dated London, the 10th instant, in this morning's " Pioneer ":

" A meeting at Cape Town to-day of Indians representing the whole of the Cape Province entered a vigorous protest against the passage of the Class Areas Bill, contending, *inter alia*, that the introduction of this measure was a breach of the Gandhi-Smuts agreement of 1913."

There is a breach all along of the agreements that were made, and it is because of these breaches that the Honourable the Mover in the other House thought it right to bring forward this Bill. It is not only in South Africa, but elsewhere as well that we have to put up not only with hardships, but with indignities. Honourable Members will remember that I put a question yesterday to Government inquiring if it was correct that at Hong Kong, which is a British Colony, on the uppermost tier of what is called " The Peak " no Indian is allowed to buy land or put up a building without the permission of the Governor of the Colony, and the Government replied that they did not know, but they would make inquiries. I doubt not that my suspicions will be found to be correct, and that such restriction does exist there. Similar restrictions prevail elsewhere.

Speaking on this Bill in the other House, the Honourable the Home Member pointed out certain difficulties. He said like a boomerang this

[Mr. Phiroze C. Sethna.]

Bill might recoil on ourselves. First of all he said there will be indigenous South Africans against whom we have no grudge and Indians do not think of offering any opposition to them in this country. Further, that this Bill will also affect Indians, whose forbears had proceeded to South Africa and settled there, returning to this country. The Home Member's point was that such Indians and indigenous Africans serving in ships, when they come to India, would be disqualified by this Bill from coming here. The answer to that was that the rules could easily be so framed as to provide for the entry of such persons. (*The Honourable Dr. Sir Deva Prasad Sarvadhikary*: " That is now provided in the Bill ")

Another point on which the Honourable the Home Member laid great stress was as to why we should not discriminate, why we should treat all Colonials alike? The Honourable the Home Member was quite right, and nobody can speak with greater authority than the Right Honourable Srinivasa Sastri, because of his intimate and first-hand knowledge of the subject, and I do hope he will address the House to-day on various points connected with this Bill. The Right Honourable Member has told us on other occasions that the treatment extended to Indians in different Dominions and Colonies is not alike but varies. If I remember rightly, he holds that the Indian is treated best in New Zealand, next best in Australia, and even in Canada there is only one province, British Columbia, which is hostile to Indian interests. As to the rest of Canada the Honourable Member has said, and I know from personal knowledge, that the other Provinces are perfectly agreeable to extend the franchise to the Indian and give him every possible facility. Therefore, it will follow that in the rules we frame we would not go as far against Canada, Australia and New Zealand as we would certainly go against South Africa. That difficulty pointed out by the Honourable the Home Member, is therefore met by the Bill. The rules could be framed against each country in accordance with the indignities to which our people are subjected in that particular Dominion or Colony. One suggestion that fell from Sir Malcolm Hailey was that, while this matter was being negotiated, we ought to hold our hands. But it is a question of negotiating with whom? With one person and he, General Smuts, who, while he professes to bring about unity in the Empire, is the first to destroy such unity by the manner in which he not only condemns Indians but also condemns the Government of India.

Further, this measure, whether you call it a reciprocity measure or a retaliatory measure, is a measure which should stand in our Statute-book. If there is any objection, I would like to refer the Honourable Members to the discussion which occurred only a week ago in Madras during the passage of what is known as the Madras Port Trust Bill. There was first of all a Resolution to exclude from the Port Trust Board white men from the Colonies. It seems that officials and non-officials met after this and suggested an amendment, namely, that only such Colonials as belong to the Colonies which do not accord equal status to the Indians domiciled there be excluded. Now, Sir, that was a fair compromise, but even that was objected to by the Honourable Member in charge, Sir Charles Todhunter. He was opposed to the sentiment finding a place on the Statute-book because he thought that, when the present generation had passed away, perhaps the sentiments in India against Colonials would have disappeared. He appealed therefore to the House not to pass the amendment, which

would be a perpetual reminder of the embittered feeling against Colonials to coming generations of Indians. I may inform the House that the measure was passed in spite of Government opposition, and I hold that the Madras Council have done right in passing this amendment. Sir Charles Todhunter said that an enactment like this on the Statute-book would not help matters later on, but I say an enactment like this in the Madras Council and an enactment like the one we want to introduce here would help the cause of Indians, for if we have such an Act on the Statute-book, it will further an improvement in the condition of affairs in regard to Indians elsewhere earlier than might be otherwise expected.

As I have said, I strongly support the motion, and I repeat you may call it a retaliatory measure, but we certainly do not choose to retaliate in the way other countries have done. I will again call the attention of the Council to certain questions I put yesterday to the Government. I asked the Government whether it was a fact that in Indo-China all Asiatics were compelled to leave thumb and finger mark impressions of both hands with the police, and further that they were required to have a permit always on their persons, which if they had not they were liable to imprisonment. My next question was whether it was a fact that the Japanese were included as Asiatics in the first instance and subsequently they were excluded. The third part of the question inquired whether it was a fact that the Japanese were so excluded only after the Japanese retaliated on the French by compelling Frenchmen who entered Japanese territory not to give the impression of their fingers and thumb, but to give the impressions of both their feet to the Japanese officials. The Government also replied to this question to the effect that they were not aware of what I had stated but that they would be pleased to inquire. I am confident, Sir, that the result of the inquiries will support the statements I made yesterday in the shape of questions and which I have repeated to-day. I say, Sir, India does not propose to go to that length, but we want to have this on the Statute-book, so that, if the people in the Colonies and other places in the British Empire know that we are in a position to retaliate, even to a small extent, the fate of our Indian brethren in those places will be much better than what it is to-day.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, I should like to state at the outset how happy I am that I am able to take part in a debate on this question. This question of the treatment of Indians abroad has long been engaging my attention, and, if I may sound a personal note, it has been my privilege to work on behalf of this cause with many distinguished Englishmen and Indians, and among the Indians I may mention with pleasure with Mr., now, Sir Narasimha Sarma, and we were actively engaged in an agitation, if I may say so, for the redress of the wrongs and indignities and insults to which our countrymen in South Africa were subjected then and are being subjected to-day. In the discussion of this question in the Assembly, and even here, I find a sort of apologetic tone adopted by some non-official Members. I should like to say that I give my support to this Bill because it serves two purposes. It enables us to carry out the principle of reciprocity that has been enunciated in the Resolution of the Imperial Conference, and it enables us, so far as I can see, also to retaliate, that is, to give the Colonials who ill-treat our countrymen the same treatment which they give to our men. I have no hesitation in saying that I am very proud of

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a measure of this description. The wrongs and indignities that have been heaped upon Indians in many parts of the Dominions, in self-governing and Crown Colonies, have been of such a flagrant character that at one time many members of the British Cabinet and high officials described it as positively amounting to a scandal. There have not been wanting statesmen who have said that so long as these grievances of Indians remain, the peace and prosperity of India will continue to be disturbed; and some responsible statesmen have even gone so far as to say that it is a disturbing factor in the stability of the British Empire itself. I take it, therefore, that any one who takes part in this question must make it very plain that in helping to pass a measure of this description we wish to make Colonials and Colonial statesmen understand that we are fighting, not merely for the interests of India, but also for the integrity and stability of the British Empire. I want this House, as a self-respecting body composed of Indians and Europeans who form part of the great British Empire, to make all others understand that this great country of ours with its population of over 300 millions cannot for a moment allow its self-respect to be wounded in any manner whatsoever. We cannot allow the safety of the British Empire to be jeopardised by a handful of Europeans—by some in South Africa who years ago formed themselves into a plutocracy of gold-hunters and now in Kenya as land grabbers. We are interested as British Indians in the honour and self-respect of the British Empire and anyone, whether he be Indian or European, who does anything to cast a reflection or leave a stain on its fair name, is injuring the cause of the Empire. It is because I am anxious that there should be peace and contentment and that a British Indian subject should be able to carry the rights of British citizenship in any part of the British Empire to which he goes, that I feel a measure of this description ought to be enacted, and I do not see the necessity for any Member of this Council or of the Assembly, be he European or Indian, to speak in an apologetic tone at all. I welcome this measure because it embodies the principle of reciprocity for which the Imperial Conference stood. I welcome this measure because as self-respecting people we are now in a position to say that we are not going to tolerate this nonsense of the ill-treatment of those of His Majesty's Indian subjects who emigrate to other parts of the Empire; and I am anxious that this measure should have the unanimous consent of this House. I am looking forward with interest to the pronouncement of the Honourable the Government Member in charge of this subject to say that in acceding to our wishes he is but echoing the feelings which are uppermost in the minds of millions of His Majesty's British subjects in this country, composed of both Europeans and Indians.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I beg to move as an amendment that the Bill be referred for further consideration to a Select Committee consisting of the following Honourable Members:

The Honourable Dr. Mian Sir Muhammad Shafi,
The Honourable Sir Narasimha Sarma,
The Honourable Mr. J. Crerar,
The Honourable Dr. Sir Deva Prasad Sarvadhikary,
The Honourable Sir Dinshaw Wacha,
The Honourable Sir Muhammad Rafique, and
The Honourable Mr. R. P. Karandikar.

Sir, in introducing this amendment, I think it is necessary to make my position absolutely clear at the outset. I am afraid there is some misapprehension lurking in the minds of some of my Colleagues that, in moving this amendment, I have a desire or some sort of sinister motive to wreck this Bill or to prevent its passage during this Session of the Council of State. Let me immediately disabuse the minds of my Colleagues of this misapprehension. Let me assure them that I entirely share the views of my Honourable Colleagues who have preceded me and have spoken with such warmth of feeling. I entirely endorse a great deal of what they have said on the subject.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: On a point of order, Sir. Your orders are that no names for a Select Committee should be brought forward unless the Members are previously asked if they agree to serve. I want to ask if the Members in this case have agreed to become Members of the Select Committee.

THE HONOURABLE THE PRESIDENT: I think we will take that objection later. Should the amendment be put to the House, the Honourable Member may then raise the point.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I may say that on the question of South Africa I yield to no one in this Council in my warmth of feeling, in my resentment, in my disappointment, at the conduct of the South African Union. I may remind my Honourable Colleagues that on the 27th of July last, on the very day when they were debating this very measure in the Legislative Assembly, I moved a motion for adjournment in the Council of State expressing the disapprobation of the Council in regard to the action which the Imperial Government had taken. I may also remind this Council that I was one of those who headed the deputation to His Excellency the Viceroy eight days before that great pronouncement was made by the Imperial Cabinet. My Honourable Colleagues are fully aware of the part that I have taken in this connection. But, Sir, whilst fully endorsing what has been said, I feel it my duty, as a Member of the Council of State and as one of the oldest Members present here, to say that I am not a little disappointed with the attitude taken up by my Honourable friend, Dr. Sarvadhikary, that this Bill should be passed without any amendment. I disagree entirely with the learned Doctor if he thinks that the Council of State, which is a correcting body, a revising Chamber, should surrender its authority to another body. I hold that for the maintenance of the dignity of the Council of State, for the maintenance of the good name of this body as a correcting and revising Chamber, we should do nothing to jeopardise its authority or lessen its dignity. I am disappointed to hear this statement of my Honourable friend, Dr. Sarvadhikary, particularly as he is an eminent lawyer. He however comes from that Assembly perhaps still imbued with the atmosphere of that place and it will take some time before he is able to get rid of the soporific atmosphere of that House.

Sir, I have now made my position clear and I assure my Colleagues here that I have not the slightest desire to wreck this measure. I want to improve it as much as possible in a manner which will redound to your credit, in a manner which will reflect credit on the Council of State, in a manner that, when this Bill is perused by other international countries,—and pray remember that, when this Bill is published, it will be closely scrutinised by all other nations to ascertain the measure of retaliation adopted by this country,—as India will not be laughed at and ridiculed.

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It is for this reason that I have proposed this Committee to examine this Bill, and with no sinister object or motive, as some of my Honourable Colleagues seem to think.

Sir, I realise and know what many of my friends have said that this is a permissive Bill. My friend, the Honourable Mr. Sethna said that it is not a mischievous Bill. Other adjectives have also been used in the course of this debate. But in agreeing with them I would ask my Honourable Colleagues to endeavour to place on the Statute-book a measure that will carry out their intention and their real purpose. I presume they do not want to put on the Statute-book a meaningless Bill which will have no operation and which will place in the hands of Government power to make and frame rules that would be inoperative and which would in a great measure frustrate the very object they have in view. It is for these reasons and even at the risk of meriting a little disapprobation from some of my Colleagues, that I have ventured to ask for the appointment of a Select Committee.

Now, Sir, if our object is to make the measure retaliatory, then we must without disguise carry out that intention. My friend, Mr. Khaparde, as well as my friend, Mr. Natesan, said that it was not a retaliatory measure. I have read the debate in the Assembly and I have thoroughly studied the Bill and the debates. For God's sake let us not deceive ourselves by saying that this is not a retaliatory measure, and that it is a measure simply of reciprocity. Let us be candid. Let us be sincere. Let us be fair and say that we are displeased, disappointed, aggrieved with the conduct of the South African Union and that we propose to retaliate. Let us have that moral courage; let us not shield ourselves under the simple pretence and untenable excuse that this is a reciprocity measure . . . . . .

THE HONOURABLE MR. G. A. NATESAN: May I say a word by way of personal explanation, Sir? I distinctly said that I welcomed this Bill as a measure of retaliation also. The Honourable Member will therefore see that his observations are rather beside the mark.

THE HONOURABLE SIR MANECKJI DADABHOY: I am glad to hear that explanation. We all know—every one who has got an elementary idea of these definitions knows—that there is a material distinction between reciprocity and retaliation; and any one who has studied the idea underlying this Bill cannot possibly urge in this Council that a measure of this kind is not of a retaliatory character. But I do not object to retaliation. If the time, nature and the circumstances require retaliation, let us have retaliation by all means and we shall have retaliation; and we shall pass a retaliatory Bill. Sir, I do not propose to go into the principle of this Bill and inquire at this stage whether we should pass a Bill of this nature or not. Sir Malcolm Hailey in the Assembly has accepted the principle underlying it. My Honourable friend, Sir Narasimha Sarma, has also accepted the principle so far as this Bill is concerned. I am not going into that; but I find it necessary to draw your attention to certain salient features of this Bill; and, if it pleases you and if you think there is something in what I say that the Bill needs examination, we ought not to shirk our duty and we ought not to refuse to submit the Bill for examination. I may say that there need be no apprehension that, if the Bill is referred to a Select Committee, it will not be passed this Session. I am as anxious as any one of you

that this Bill should be examined, and, if my motion is accepted, should be brought up in this Session for further discussion and passed and returned to the Legislative Assembly if need be.

Sir, with these comments, I will just draw your attention to some important features of this Bill. You must not omit to bear in mind the fact that this Bill was introduced, debated, discussed and passed into law in one day, and, though I admit with great respect that a lot of light was thrown in the course of the debate and many important and pertinent amendments were put forward both by Government and Sir Sivaswami Aiyar and were accepted after some discussion, it does not behove us as a Council of State to hurry this measure, to rush it through without further detailed examination. I shall speak later on as to the composition of the Select Committee. My first apprehension is that I am not satisfied with the definition of the words " British Possession. " I am afraid this definition, as it is worded, will lead us into complications and difficulties. There is no doubt that it is an acknowledged principle that you may expressly define certain words for the purpose of special Acts; but we could very well have fallen back upon the General Clauses Act and taken the definition of " Colony " which would have suited better for the purpose with a slight modification, than the definition embodied in this Bill. My Honourable Colleagues will see that this is a matter which needs some thought and consideration. Then, Sir, in the definition of the word " entry " it has been defined as including landing at any port in British India during the period of a ship's stay on her way to a destination outside British India. That also will give us some trouble. What about seamen of different countries and different nationalities who come into Indian ports and get down and stay for a few days? There is some difficulty about this clause, which needs mature examination. Adverting to the operative clause of the Bill, which is the most essential clause, in fact which is the life and soul of this Bill, we are confronted with numerous difficulties. For the first time in the history of Indian legislation a new phrase has been coined and that phrase is " Indian origin ". I know this phrase was embodied in the clause by way of an amendment put forward by a lawyer of great eminence in the Legislative Assembly and for whom I have profound respect; but I believe that this phrase will cause complication. As I shall show presently, when I examine clause 5,—it will put tremendous difficulties in our way and will unconsciously perpetuate disabilities and put our own countrymen whom we seek to protect in a position of serious predicament. Sir, that is a small matter, however. Let us look and examine the clause a little more carefully. My friend, Mr. Sethna, has forestalled me to a certain extent and has stated that this Bill applies to all the Dominions. It does. It provides for no discrimination at all. Various Colonies and Dominions treat our Indian fellow-subjects in different manner. The treatment accorded to Indians in the Dominions and Crown Colonies is of a divergent character. Now, with all deference, I submit that in including all the Dominions in this Bill, we are courting serious trouble. Our immediate quarrel is with the Union Government of South Africa. I am prepared to concede that we should take all possible measures of retaliation against that Colony to redress our grievances if necessary. But I abhor the idea of our entire disassociation from the other parts of the British Empire. I wish my Right Honourable friend Srinivasa Sastri had preceded me in this debate. I would have been glad to hear from him what is our present immediate grievance with the other parts of the Dominions. I know we have got some minor grievances. But in the long debate which took place in the other House, neither

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the author of the Bill nor any Member of the House had said a word about it or as to the necessity of including them in this Bill. I challenge any Member here to point out to me in that debate a word if said by any Member of the other House, as to why it has been deemed necessary to include the other Dominions in this measure.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): What about British Columbia?

THE HONOURABLE SIR MANECKJI DADABHOY: I am coming to it presently. Sir, I am personally opposed to this policy of detachment from the other members of the Empire, unless we have got a substantial and a real grievance against them. My Honourable friend Mr. Lalubhai Samaldas speaks of British Columbia. We have not yet fully negotiated with Canada in regard to the treatment which Canada accords to Indians in her possessions. The matter was never brought up even before the Assembly. It has not been discussed in the public press; it has never, to my knowledge, been made a matter of real and substantial grievance up to now. If Honourable Members think that in legislating against Kenya we should incorporate in the Bill other Dominions as well, they are welcome to do so, but I must, as a Member of this Council, sound a note of warning. The action which we are taking is unstatesmanlike, the action which we are taking in including the other Dominions without any immediate cause is impolitic, it is unwise and inexpedient. Let us certainly legislate against Kenya, but let us not make the other parts of the Empire our enemies, because do not forget that India must depend for her trade on the goodwill and reciprocity of the other members of the Empire.

Sir, let us see how this clause will be effective as a measure of reprisal which we are anxious to adopt. Now the words which we have used are:

"being of Indian origin, domiciled in any British Possession, shall have no greater rights and privileges, as regards entry into and residence in British India, than are accorded by the law and administration of such Possession to persons of Indian domicile."

I submit, Sir, with great deference to my Colleagues, that, even if the Government of India make such rules in consonance with this clause, they will be inoperative. You have to differentiate the position of the white settlers in Kenya from Australians and Canadians. If you think that the white settlers of Kenya have lost their British domicile, you are seriously mistaken in your view and in your interpretation of the law. Kenya is entirely different from Australia, from Canada and from other self-governing Dominions. These white people who have gone and settled down in Kenya have not lost their British domicile, and, as this clause is worded, it will be absolutely impossible and wholly ineffectual, and it will not prevent the white settlers from landing in this country. Sir, this clause, as it is drafted, does a gross injustice to a class of people who have done us no wrong, who have done us no injury, who have been our friends and who gave us first shelter in their land long before the white settlers went into Kenya and allowed us to land and trade in their own country, I mean the Africans. The phrase "Indian origin" will not apply to these people, and, if any of these Africans want to settle down in India, what happens? You shut them out, you shut your friends out . . . .

THE HONOURABLE MR. PHIROZE C. SETHNA: We do not.

THE HONOURABLE SIR MANECKJI DADABHOY: You certainly do, as the law stands. As the clause is drafted, you have no option. It may be said, Sir, that the rules which the Government of India will frame will provide for that. I am very doubtful about that, as the clause is drafted on somewhat decisive and mandatory lines by employing the phrase "Indian origin ". It will not be open to the Government to make any such exemptions in derogation of the substantive provision of this law.

THE HONOURABLE MR. G. S. KHAPARDE: We can amend the rule.

THE HONOURABLE SIR MANECKJI DADABHOY: Thank you. What further, Sir? There is no provision for exemption in this. I have thought over the matter and believe that the law, as it is framed, does not provide for cases of exemption at all, and, unless there is a statutory power given to exempt certain classes of people, as the clause is worded, I am afraid I have serious misgivings whether it will be operative. What will be the result? What will happen to the several members in the Civil Service who are South Africans? What will happen to other members in other services of the country who are of South African origin? I understand that, if this Bill is passed, we will have to segregate one of our present Governors to some other place; we will have to segregate our friend General MacWatt, and possibly lock him up under the clause. (Laughter). Sir, these are difficulties which have not been contemplated by the other Legislature. Take Sir, further the words which have been used, namely, "than are accorded by the law and administration of such Possessions to persons of Indian domicile ".

THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI: Such Possession.

THE HONOURABLE SIR MANECKJI DADABHOY: Yes, such Possessions. Here, I say that any legislation to proceed on a parity is very problematic, it is very difficult. Take the case of South Africa.

THE HONOURABLE THE PRESIDENT: The Honourable Member is perfectly justified in drawing attention to defects found in drafting, which may render it necessary to refer the Bill to a Select Committee, but he must be moderate in doing so. He must not argue the points at the same length as he would in Select Committee.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I want to make out a case.

THE HONOURABLE THE PRESIDENT: I have already explained to the Honourable Member that he is perfectly justified in drawing attention to drafting defects, or defects of wording which render it desirable to refer the Bill to a Select Committee; but he is not justified in arguing each point in great detail.

THE HONOURABLE SIR MANECKJI DADABHOY: If that is your ruling, Sir, I must bow to it and be very brief. South Africa has abandoned the idea of segregation, but assume that they go in for segregation, how are we going to put segregation into force? There are no highlands here, unless you call Simla and Mussoorie and such places high lands, and what does it matter if you prevent the white settlers going there? Has anybody ever inquired how many South African white settlers come to India annually and settle down here? Have you got any census? Is this Act going to be effective in that way? The same difficulties will arise in the matter

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of communal representation. They have given us communal representation, not a common franchise. As regards communal representation, have we not communal representation in India? We have got a European constituency, we have got minorities who have obtained communal representation, now are you going to punish South Africans by giving them tit for tat in a matter like communal representation? I think, Sir, if we are going to retaliate, as I feel you would like to retaliate, it would be better if we gave the Government powers to frame rules and regulations and a free hand to take such measures as may be suitable for safeguarding Indian interests and for vindicating Indian prestige and self-respect. A measure like that would be much better and would serve our purposes admirably. Pray consider the absurdity of the law which you are now called upon to pass in a great hurry and without qualifying amendments. You rushed this Bill through the Legislative Assembly; for your own sake, for our own reputation, do not rush it through the Council of State. Let us examine it, let us sit together, examine and see if we cannot improve this Bill and make it an effective weapon in our hands for the purpose of meeting our adversaries. The language of the Bill is defective; it does not convey the meaning you want; the wording of clause 3 is extremely faulty; it imperfectly and inadequately expresses your meaning and the point which you wish to put into execution. I put you on your guard and beware of it. As the Honourable the President has warned me, I do not propose to go into further details. I could go into several important details and cut the Bill to pieces as it stands at present. I do not wish to take up your time much longer, but I appeal to you that this is a matter which specially needs our careful reflection, our unbiassed, our dispassionate, consideration. I am asking you nothing unreasonable but to sit together and examine the Bill. I have taken special care to put lawyers on this Select Committee, the majority are lawyers, so that they may be in a position to thoroughly examine the Bill and make it an effective weapon in the hands of Government. The Honourable Sir Malcolm Hailey in the course of the debate in the Assembly said that he would approve of a measure like this as a method or a weapon for negotiation in our hands. I respectfully disagree with his surmise and statement. The Bill as it stands will not be an effective weapon to negotiate with the South African Union. This is just the Bill which General Smuts will welcome; this is just the Bill which General Smuts will receive with delectation and great readiness. It is a Bill which his Council, his Legislature, will thank you for passing. If you are earnest and want to pass a Bill, pass one that will be effectual and one that will not be an emasculated, effete, measure. Sir, I do not want to detain the Council any further. In conclusion, I say I have the fullest sympathy with my Colleagues, I endorse to a certain extent their views and sentiments, but I cannot make myself a party to, or subscribe to, a piece of badly drafted, ill-considered legislation which also appears to me to be incongruous and wholly ineffectual.

THE HONOURABLE THE PRESIDENT: I think the Honourable Member is too old a Member of this Council not to have first satisfied himself that the Members he has mentioned for the Select Committee are willing to serve on it if his motion is carried.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir I have consulted most of them, except the Mover of this Bill, and they have all told me they will be willing to serve if the Bill goes to a Select Committee, and

I believe Dr. Sir Deva Prasad Sarvadhikary, if my motion is accepted, will have no objection to serve on the Committee.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, it will be inconsistent with the dignity, prestige, and everything else that has been pleaded if I sit on this Select Committee, and I decline to do so.

THE HONOURABLE SIR MANECKJI DADABHOY: May I propose another name?

THE HONOURABLE THE PRESIDENT: The Honourable Member should have ascertained beforehand whether he was willing to serve.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I am willing to serve for reasons I am going to state . . .

THE HONOURABLE THE PRESIDENT: I have not yet put the motion to the House. I was merely finding out whether the Members were willing to serve on the Select Committee. The motion before the House is the amendment moved by the Honourable Sir Maneckji Dadabhoy:

"That the Bill be referred for further consideration to a Select Committee comprising the following Honourable Members:

The Honourable Dr. Mian Sir Muhammad Shafi,

The Honourable Sir B. Narasimha Sarma,

The Honourable Mr. J. Crerar,

The Honourable Dr. Sir Deva Prasad Sarvadhikary,

The Honourable Sir Dinshaw Wacha,

The Honourable Sir Muhammad Rafique, and

The Honourable Mr. R. P. Karandikar."

If the House passes the motion either that the Bill be taken into consideration or that the Bill be referred to a Select Committee, it affirms the general principle of the Bill. Therefore, these two motions are capable of discussion together. If we carry the motion for a Select Committee or that the Bill be taken into consideration, that affirms the principle of the Bill. I wish to make that clear. The debate may proceed on those lines.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I desire to make my position clear. Before my name appeared in connection with this amendment, I was consulted by the Honourable Sir Maneckji Dadabhoy as to whether I would serve on the Committee. I gave my consent. I stand here therefore in a double capacity. When I say I consented to be on the Committee I did not for a moment accept the position that I would stultify myself and be prevented in the least manner possible from objecting to this amendment

THE HONOURABLE THE PRESIDENT: The Honourable Member is perfectly within his rights in agreeing to sit on the Select Committee and yet voting against the motion.

THE HONOURABLE MR. R. P. KARANDIKAR: And I shall state my reasons. In this respect I was at a disadvantage in not having heard the debate in the other House, and I tried to go through the literature on the point. I would not call the other House the lower House. If it is lower, it is on a lower scale because it is more weighty.

THE HONOURABLE THE PRESIDENT: I would ask the Honourable Member to avoid these invidious comparisons. They serve no useful purpose.

THE HONOURABLE MR. R. P. KARANDIKAR: I accept the correction. The point that I wished to draw attention to, is that I should take defeat, whatever it be, in connection with the motion before the House in the spirit in which Sir Malcolm Hailey took it in the lower House, and also to refer to what he said as regards the secrets of success. In referring to a certain measure after he was defeated in a certain manner, he said:

"If we have in our long career been not unsuccessful as a nation, it is because of two things.

"In the first place, we refuse to admit defeat, and in the second place endeavour to keep a calm judgment in circumstances which seem for the moment entirely adverse to us."

I would therefore, even if I am defeated with reference to taking into consideration this Bill and the amendment is carried—I would go in and become a member of the Select Committee to try to do what little I can. I am anxious, with respect to this Bill, to speak as dispassionately as possible It is impossible to resist the temptation of expressing one's views on such a topic in measured words or in measured sentences; but I am sure I am voicing the feelings of the whole of India when I say that the Bill could have been improved in the first House or in this House. But my attitude in such matters is what Lord Ripon expressed when in London in 1908 I was present to listen to His Lordship. He was entertained at the Eighty Club. I was present to hear what he said. He said "Take what you get and fight for the rest". It is in that spirit we take this Bill—not that it cannot be improved but that it may be possible later on, as circumstances indicate the way in which to improve it, to do so. The Government of India themselves or the public at large may urge for improvement of this Bill. There have been many discussions in the first House, and if you permit me, Sir, to refer not at length but by way of reference merely, to certain incidents that occurred while this Bill was before that House, it will be obvious that it is not at all necessary to waste more time over a measure of this kind. The Honourable Sir Malcolm Hailey in alluding to the time that had been spent in considering and improving a measure of this kind since the year 1918,—alluding to the remarks which were passed with reference to the delay, said in effect that a great deal of time had been spent over it and that the measure could have been passed earlier than it actually was. I have my misgivings—pardon me for saying so—about Select Committees. I wish to be on the Committee if one is appointed, as I wish always to be on the train and not to be left behind at the station. I shall either be on the engine or if necessary in the brake where I may be locked up if I am at the disposal of the railway company; but in any case I must be on the train to watch where it goes; I will not allow it to run away. I shall be on the Committee to see for myself how the work goes on, and then if need be I shall go to the country and tell the people to take care of the Select Committee. Perhaps others have larger experience of such Committees and I may have very little, but I will add to what experience people have of such Committees, and I do trust that, even if this Bill goes to the Committee, the Committee will be successful in attaining the object which the whole of India has at heart. When I say the whole of India I am not unmindful of the Government of India.

What is the Government after all, if it is not the Government of the nation? If the whole of India wants reciprocity, will not the Government of India also want it, and has not the Government of India certified that it does want reciprocity? It is from that point of view that I have read the various speeches that deal with the literature referring to the discussion in the other House. I see before me the Honourable Sir Narasimha Sarma who guided the deliberations of the Assembly. I do not see the other gentleman; but I daresay that though the Legislature may go by halves the Government never go by halves. The Honourable Sir Malcolm Hailey represented the Government there as did the Honourable Sir Narasimha Sarma here. They had the benefit of what they could say on behalf of Government and I was wondering what attitude the Government would take on this subject here. I have now not the smallest doubt since silence is golden and there has been no rejoinder from the Government side yet. I do trust that, if the matter comes to voting, the Government will give us their support, as did the Honourable Sir Malcolm Hailey in the other House; in spite of his opposition at a certain stage of the Bill, he finally voted for the Bill, in a right sporting spirit. I say the whole Assembly voted for the Bill including the Honourable the Home Member. I have long been anticipating that the Government Benches in this House also would support us. I entirely agree with the Honourable Mover of the amendment that his amendment is perfectly right; but there is always a great danger that a certain measure which is timely and opportune in the circumstances of the case, a measure that has to be adopted by a nation so insulted, may lose its force if it is delayed. Why delay the matter for the sake of mere details which are best left to the Executive? And I do say emphatically that the Assembly have shown some moral courage in trusting the Executive and in arming the Executive with the different weapons which are necessary for the purpose of protecting India. There have been certain misgivings over definitions, here and there. No definition in the world has satisfied everybody. Rack our brains as we may, there are always matters over which the Bar and the Bench can hardly agree. I say you can leave these questions of definition to the judgment of the future. Definitions may no doubt be improved upon; but in regard to one point I will ask "Will not the Dominions feel proud of being included in the British Possessions?" Certainly they will. The definition has been drawn there, and British Possessions must include the Dominions. It only refers to the manner in which the British Dominions have to be dealt with, and then we deal with that British Dominion which forgets that it is a British Dominion. Nothing more than that. And the Government of India is capable of being the best judge in this matter. We, the people at large, have no means of knowing what actually passes between one Government and another. There is only one small point to which I will refer. The original Bill contained the word "shall". We are sometimes accustomed to interpret the word "may" as meaning "shall". I may be wrong but I take it that it does mean "shall". But suppose it does not. I say accept this Bill in the spirit in which it was made. When a small amendment was made in the lower House it was described as cryptic by Dr. Gour, who certainly thought that, if no speech supported the amendment, it could convey the idea that it might be inspired; but surely there need be no such insinuation. Gentlemen never trouble the House with long speeches, unless a novice like myself would intrude upon their attention. But it is on that and on Sir Malcolm Hailey's

[Mr. R. P. Karandikar.]

coming to the rescue that the word 'shall' was turned into 'may'. It was accepted there; we keep it here and in accepting this amendment the Government said that it should be left to their discretion to catch hold of the opportunities that occur and to deal with the opportunities as the circumstances required. If that is so, I do not know that we need spend any longer time over such a matter. Reference to a Select Committee might perhaps mean that it may not emerge from the Select Committee. I was at one time tempted to move as a rider that the Select Committee should report within a week. But in the circumstances of this case, I hesitate. I will not do it in the full hope that the House will carry the first motion and that the Bill, as it was passed by the first House, will be carried here.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, I rise to support the motion of my Honourable friend, Sir Deva Prasad Sarvadhikary and to oppose the amendment moved by my friend Sir Maneckji Dadabhoy. Sir, my Honourable friend, Mr. Khaparde, said that this Bill is his old Resolution in a new form and that is exactly so. On that occasion I was one of those who requested him to withdraw his Resolution because at that time we were arranging for a deputation of a few representatives of South African Indians to His Excellency the Viceroy and we did not want to spoil the chances of negotiation between the Government of India and the Government of South Africa. Much water has flowed down the Ganges, if I may say so, since then. The Right Honourable Srinivasa Sastri has been to England to fight for the rights of Indians in Kenya. Dr. Sapru has been there to fight for the rights of Indians all over the world in all the Colonies. What has been the result? My Right Honourable friend comes back entirely disappointed. Dr. Sapru comes back—I will not say entirely disappointed—but quite disappointed as far as South Africa is concerned. That means that we have lost the battle and it is no use now waiting to show our feelings in the matter. Sir Maneckji Dadabhoy asked us why we fought shy of the word 'retaliation"; I am not fighting shy of the word and I resent his saying that we have not the moral courage to use that word. I am prepared to use that word, but not in the sense of being vindictive. I think my Honourable friend Mr. Sethna used retaliation in that sense and not in the sense in which Japan, according to him carried out retaliatory measures. There may be retaliation in that sense, but we want it in the sense of reciprocity only and nothing more. We do not mind using that word and I do not think that Dr Sir Deva Prasad Sarvadhikary will object to it either. Sir, we want the Bill to be put on the Statute-book as early as possible.

That being granted, and the principle being approved—I believe you said, Sir, that the amendment accepts the principle—I will now refer to the amendment. My friend, Sir Maneckji Dadabhoy gave us an assurance—I do not know whether it was needed—that he did not want to wreck the Bill. If there is a feeling sometimes among some Members on this side that he did want this Bill to be shelved a bit, he has himself to thank for it. Very often he is more for Government than even the Government Benches. (*The Honourable Sir Maneckji Dadabhoy*: "I question that statement.") That is perhaps because he knows what is going on in the mind of the Government Benches. We sometimes feel that he would be more useful on the Government Benches than elsewhere. (*The Honourable Sir Maneckji Dadabhoy*: "I question that statement: I believe in

conscience "). I am sorry if I have done him any injustice; but that is the feeling on this side. When we find him moving amendments adding the phrase "as far as practicable" to all motions and Resolutions moved from this side, as he did only the other day in regard to my friend, Mr. Phiroze Sethna's Resolution, is it surprising if such a feeling does exist? When I listened to his speech I was not able to make out whether he opposed the Bill or supported it. At one time he said the Bill was meaningless (*The Honourable Sir Maneckji Dadabhoy*: " As drafted.") and that it will not be of any use. At some other time he said—I am using his words— " that if we pass this Bill it would mean detachment from the Empire " None of us, nobody on this side of the House, wants detachment from the Empire, and I do not know why my friend, Sir Maneckji should take it that this Bill wants or suggests any detachment from the Empire. We want to be within the Empire; we want to avoid a quarrel with any Dominion which is sympathetic to India and which treats Indians as equal fellow-subjects of His Majesty. That is the attitude we want to take up and that is the attitude which, I take it, has been embodied in this Bill. Sir Maneckji Dadabhoy said that the Bill was defective. I am not a lawyer, Sir, and not being a lawyer I am not in a position to say how far the drafting is defective or not. But I have carefully read the debates in the Assembly; I was present in the gallery when the Bill was carried through and I know that eminent lawyers like Sir Sivaswami Iyer, Diwan Bahadur Rangachariar and others tried to amend the Bill and put it into shape; not only that; but I think I am correct in saying—I am giving credit where credit is due,—that my friend, Mr. Graham, who was then a Member of the Assembly, did his best to put the Bill into proper shape. Whenever there was a mistake in drafting, he got up and had it set right. I remember him saying in one place "Gours rush in where Sinhas fear to tread." That shows that the Government Benches were very careful to see that the Bill was made as correct in style and drafting as possible. My friend, Sir Maneckji Dadabhoy now wants the Bill to be referred to a Select Committee. Government have not suggested that procedure in any House. Diwan Bahadur Rangachariar (then Rao Bahadur Rangachariar) said when opposing the amendment of Sir Malcolm Hailey that the Bill be circulated, " To whom is it to be circulated "? The Government of India knows the views of the Local Governments. He added that he could understand Government referring it to a Select Committee. The Honourable Sir Malcolm Hailey thought better than Sir Maneckji thinks of the necessity and importance of such a course. He did not try to shirk or shelve the Bill; he was prepared to vote for it; he accepted certain amendments and suggested certain amendments and the Bill was passed, not as my friend, Mr. Karandikar said, Government voting for it but Government not opposing its passing. I therefore do not see any reason why the Bill should be sent to a Select Committee at this stage. Does Sir Maneckji want it to be made stronger or weaker? If he wants it to be made stronger, then there will be greater detachment from the Empire than he now fears will be the case. If he wants to make it weaker, none of us, no self-respecting Indian, would agree. The only course open would be to put it before the Select Committee and pass it as it is. He says that he does not see any reason why, if the Bill is amended by this Council, it could not be got through the other House this Session. He knows that, if the Bill is sent to a Select Committee, even with a time-limit fixed as Mr. Karandikar suggested, the Bill will have to come here, then be discussed and passed, and then it would have to go to the other place and, if they did not agree, then it means shelving the Bill for ever. He perhaps

[Mr. Lalubhai Samaldas.]

did not mean to shelve it, but practically it will mean shelving or wrecking the Bill. Does he desire it? I do not think so. I still appeal to him, if he really wants to put such a measure on the Statute-book, to agree to this proposal, and later on, if he thinks there are mistakes in drafting, let him come forward with amendments. Sir, I strongly oppose the amendment.

THE HONOURABLE SIR MANECKJI DADABHOY: May I make a personal explanation, Sir? I see my friend Mr. Lalubhai Samaldas has twice mentioned that I had used the words "detachment from the Empire." I am sorry he did not catch my words. I said that by clause 3 as it stood we were detaching ourselves from some members of the Empire.

THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI (Madras: Non-Muhammedan): Sir, I will try to meet some of the observations that have been made by my Honourable friend Sir Maneckji Dadabhoy in the course of his speech suggesting the appointment of a Select Committee to consider this Bill. I am of opinion, Sir, that this reference to a Select Committee is unnecessary. The Honourable Mr. Karandikar said that, in his judgment, the Government of India were really the representatives of the Indian people, and that, if there was a strong wish expressed by our people, the Government of India would not be behind-hand in giving legal embodiment to it. I do not wish to traverse that point at all, but I hope that it is true, and that the Honourable Mr. Karandikar will in no long time prove in the judgment of his countrymen to have been a true prophet. At the present moment, however, there is one slight consideration which abates from the satisfaction that one would derive from such a proposition. The Government of India and their spokesmen tried all they could to oppose the passage of this measure in the Assembly. It was passed, and it is now coming to us under the aegis of a private Member of the House. That is as it should be. But, if the Government of India were really possessed of strength of feeling upon this subject and they wished to make themselves, in the fullest and amplest sense of the word, understood in the Dominions, they would have come forward at the earliest possible opportunity in this House with amendments, such as the Honourable Sir Maneckji Dadabhoy wishes to make, so as to make this measure effective, satisfactory and creditable to the Council of State. The Government have not brought forward any amendments. It is not the Government that propose to refer the Bill to a Select Committee. Am I wrong in inferring that the Government are quite content to let the Bill encounter its fate on the shoals of the discussion in the Council of State?

The Honourable Sir Maneckji Dadabhoy spoke of the distinction between reciprocity and retaliation. There is a very great deal of distinction between the two. The only question is how far the distinction bears on the point in issue. For one thing, Sir, the fundamental distinction between the two expressions cannot be lost sight of. Reciprocity is in good and in bad matters; retaliation can only be in bad matters. If the South African Government sent us two professors to teach in the Delhi University over which the Honourable Dr. Mian Sir Muhammad Shafi presides, then we should be acting reciprocally, if we sent two professors to the University of Cape Town; we should not be guilty of retaliation in that case. Now, retaliation we apply, however, to disabilities, to hardships and to indignities. This is a retaliatory measure. Who could deny it? I am prepared to defend this measure of retaliation and, if a stronger measure of retaliation were possible, I could defend it too in any Court of impartial judges. Would the Honourable Sir Maneckji

Dadabhoy believe me if I said to him that in 1921 General Smuts himself asked me "We have recognised your power to retaliate. Why don't you retaliate? If we ill-treat your people, you are at liberty to ill-treat our people." General Smuts should not be dissatisfied with any measure of the character that we are attempting to pass to-day. General Smuts would not be, if I know his nature.

As for dissociating ourselves from the Empire, I should like people who talk carelessly to note one or two things. This expression, Sir, "dissociating ourselves from the other parts of the Empire, detaching ourselves from the other parts of the Empire" was brought in by a Government spokesman in the Assembly during the debate which we are following to-day, and Sir Maneckji Dadabhoy has used that expression here. I do not wish to speak without a sense of responsibility, and I hope I shall not import any emotion into my answer on this branch of the subject. Reviewing the history of Indians abroad, one can only hang down one's head here. If we were brought to the bar of the public opinion of the world, the Indian would have to hang down his head in shame that he has submitted to these things for nearly 35 years and still longed and hoped for a remedy because he did not wish to be thrust out of the Empire. He has paid heavily for his desire to be associated with the Empire, and dearer and dearer prices are being exacted at every turn. To tell him that he would dissociate himself from the Empire by enacting an innocent reciprocity measure is to abuse the language which the Almighty has given us. Sir, to-day after unparalleled indignities we are not seeking dissociation from the Empire.

We are still going down on our knees to ask the authorities from outside to find some means of consulting our self-respect, so that we may still continue within the Empire. It is not we, it is the other members of the British Empire that thrust us out, that tell us continually " we cannot digest the black colour of your skin. We should like you to remain within, but if you must, go out." Let me assure Sir Maneckji Dadabhoy that there are certain Dominions which will have no compunction whatever. It is not we, Sir; we wish this association to continue. The only thing is we wish this association to be put upon a proper basis. The great point in passing this measure to-day is that we shall have told the British Empire that we are no longer the old Government of India and the old people of India. Would some of my friends believe me when I say that the Dominions would not have continually insulted and humiliated us if they did not feel certain that India was not governed by Indians, but governed by the British people who, in the last resort, would do nothing in the way of reciprocity or retaliation. They knew that they could play with us and our feelings. They knew all the time that the Viceroy and his Executive Government were still strong, could hold down India and choke the natural expression of India's feelings. That is why they went on from bad to worse, and are now going on in the same way. We wish to tell them that the Government of India Act, 1919, if it has any meaning, has this meaning that it has enabled the Indian people to give natural expression to their feelings. I am not quite sure, Sir, that I have spoken the exact truth when I said that the Government of India Act has given them that power. We know too well that there are still impediments in the way of the wishes of the people of India finding their natural expression, but I do hope in this case that the Government of India, I mean the Executive Government, will permit the wishes of the people of India to find their proper expression and not use the undoubted powers they have of impeding, of distorting and finally of misrepresenting India, as in the past. It is for that purpose, Sir,

[The Right Hon. V. S. Srinivasa Sastri.]

that I wish the Bill to pass to-day, so that it may stand on our Statute-book as a feeble, belated, protest in the shape of some bit of law against the continued misbehaviour of the British Cabinet and of the Government of the Dominions. It is still in the power of the Government of India under this Bill to keep it inoperative for as long a time as they please. Everything is in their hands for the Bill is content to enunciate a principle and leaves everything to be done by a very very wide rule-making power. Such defects, or some at least of the defects as have been pointed out to-day, could still be remedied by the Executive Government making the necessary rules. If there are gaps, they could fill them up. If, for instance, any thing is not roped in, as Sir Maneckji said, again reproducing a note struck in the Assembly, the Government would perhaps bring in an amending measure. When they find they cannot touch Kenya, I am sure the Government of India, if they mean to act in this matter, would come in with an amending measure which would satisfy Sir Maneckji Dadabhoy. But I have rather a suspicion that that is an undue apprehension. The Government of Kenya, Sir, have now passed a measure with a very fully developed franchise law. I have a doubt myself although I venture to express it with great diffidence, that it would be inconvenient to operate a franchise law, as they have had in the last three years, unless they had also a law of domicile.

A word was said on a somewhat delicate matter, to which I must make a reference in sheer honesty of statement. We were told that we should perhaps by this measure touch certain members of the Indian Civil Service and other services, and that we should introduce certain measures which might savour of undue personal harm. Sir, nobody in the world would be more unwilling to do anything of that kind than myself, but if it is necessary in order to protect the self-respect of India, I should not shrink from it, much as I should hesitate. Sir Maneckji Dadabhoy has overlooked another consideration which he might have brought in to terrify his Honourable Colleagues in this Council. It is not so much members of the Indian Civil Service and other services that would be affected by it, it is many gallant officers in our Army. I believe Sir, though I should like to receive some confirmation, I believe, Sir, there are many gallant officers in our Army who come from the Colonies and the Dominions, probably more than will be found in the services. It would affect them too. That would be a stronger measure than this. But are we, in taking up a big subject like this, which is one of retaliation against the Dominions, to be defeated by that consideration . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: I did not say that at all. I said that we could make a provision to guard against that. The Honourable Member has entirely misunderstood me.

THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI: Speaking of the point that I raised, after the most careful consideration of the subject, I have satisfied myself that, if His Majesty could be implored by us not to grant any more commissions in the Army of India to persons of Colonial domicile, we should not be doing any wrong to ourselves, but we should be vindicating our natural and just rights. If this measure serves to keep out gallant officers of the Army, even then I should support it without hesitation.

Then Sir Maneckji asks us why we hit other Possessions besides South Africa. He has assured himself that South Africa is a grave sinner and

against her retaliation would be justified; but he still has a warm place in his heart for the other Dominions. Now, as I read clause 3, the other Dominions would have no right to complain; for all that we say is that people coming from those places shall have no greater rights or privileges in India than they accord to our people. I do not think they have any just cause of complaint.

THE HONOURABLE SIR MANECKJI DADABHOY: Then why include them?

THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI: There is only one other remark that I will make. Sir Maneckji complained that, if this measure were passed as it is, it would detract from the character of the Council of State as a revising and correcting body. I believe he is quite right in that contention. Perhaps it would be satisfactory if the subject were of a somewhat different character and admitted of delay and we could introduce certain clarifying clauses. But I call this matter urgent because I should like, if only His Excellency could give his assent promptly, I should like to see before the present session closed, this Bill on our Statute-book and the Dominions informed that at last it is the people of India that are legislating in this country. Then they would behave differently. Moreover, the point is this. If we put this Bill on the Statute-book as it is, where is the difficulty or where would be the difficulty in amending it later? Perhaps the Honourable Sir Maneckji Dadabhoy need not bother himself; once it gets on to the Statute-book I am sure the Government of India would then think that it was part of their duty to amend the Bill in order to make it operative and we shall then have a Bill which would satisfy the critics, of whom more than of the necessities of India some Members seem to be solicitous here.

There is only one other word which I would mention. This Council of State has its character to maintain, and I would ask whether this Council would maintain its character better by promptly passing this Bill or by agreeing to an amendment which may end in the shelving of the Bill or in its being deferred to another Session or in its resulting in a tie between the Council and the Assembly which might lead to another six months' delay, if it did not kill the Bill altogether. I would ask those who wish to vote in favour of the amendment whether they would not surely attack the character and prestige of the Council of State by that means?

The Council then adjourned for Lunch till a Quarter past Two of the Clock.

The Council re-assembled after Lunch at Fifteen minutes past Two of the Clock, the Honourable the President in the Chair.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, I rise now, not at a very early stage of the debate, in order to prevent any further misapprehensions with regard to the attitude of Government in this matter. I have allowed the discussion to go on uninterrupted in order that the minds of Honourable Members may be made up on the merits of the proposition that has been brought forward by Sir Deva Prasad Sarvadhikary and of the amendment of Sir Maneckji Dadabhoy, untrammelled by any views of the Government. There seems to be an apprehension in some quarters that there is some hidden meaning

[Sir Narasimha Sarma.]

in the procedure that I have adopted this morning, and I therefore think that it is but fair to the Council to inform them of the attitude of the Government. The attitude of the Government is substantially the same as it was when the Assembly dealt with this question. They have accepted the main principle underlying the Bill, namely, the principle of reciprocity, which was affirmed in the War Conference, in the Imperial Conference and on other occasions. They have given their assent and they adhere to the view, limited for that purpose and for that purpose alone, that they view this Bill as indicating nothing more than that the Government should affirm the principle which they had already accepted when they were parties to the decisions of the War Cabinet and the Imperial Conferences to which I have alluded. The Government deprecated, when this measure was before the Assembly, any unseemly haste lest the affirmation of a principle to which all parties were consenting parties might be viewed in a wrong light and that was the reason why the Government suggested to the Assembly that the matter might be referred to the Local Governments till the heat and the passion, which were inevitable immediately after the Kenya decision had been reached and announced, died down a bit and people were able to think a little more clearly and dispassionately. Having accepted the principle, then, they do adhere to that attitude, when the Bill comes on in the Council of State, and that is the only question which, as the Honourable President has pointed out, arises at this stage, when either the motion for consideration or the motion for reference to Select Committee for the purpose of further investigating as to what might be done with regard to this Bill is under consideration. The Right Honourable Srinivasa Sastri thought that the Government might have themselves moved for a Select Committee at an earlier stage if they wished to do so, but as they had not done so, possibly there might be some more meaning to be read into that attitude than might be apparent on the surface, and that they somehow hoped that the division among the Council members here might do the work which they in their heart of hearts wished and prayed for. I may assure the Right Honourable Member that there was no such deep hidden or sinister meaning in the attitude which the Government had adopted. On the other hand, when they took up this Bill after it was passed in the Assembly and examined it with a view to see as to whether further changes could or should be effected, they came to this view that they might well leave the Bill, it being a non-official measure, to the non-official Members themselves to rectify any defects that there might be in it if they wished to do so. The Government did apprehend that, if they brought forward the question of a Select Committee, that motion might be misunderstood as being a delaying or dilatory motion, and they did not want to thwart the wishes of the people in this matter, and, inasmuch as this was a non-official Bill, they felt that the non-officials might discharge their duty towards the Bill and rectify any mistakes either in drafting or in substance that might be discovered on a closer examination.

THE HONOURABLE SIR MANECKJI DADABHOY: Government ought not to be swayed by any such considerations.

THE HONOURABLE SIR NARASIMHA SARMA: They were not swayed by any considerations of fear. If they felt that they could not act under that Bill in any manner whatsoever, they would have come forward and

said so, but they did not feel that that measure was so defective as to be absolutely unworkable. They realised that that Bill is defective both in substance and in drafting. They do not disguise from this House that they would not have the slightest objection to the House referring the matter to a Select Committee on the motion of Sir Maneckji Dadabhoy and they do not apprehend any dire results that the Bill would be wrecked either in this House or in the other House. It is to be left to their free decision. If the Govern nent had felt that it was their duty to refer the Bill to a Select Committee in view of the absolutely impossible nature of this measure, they would have stated so and would have come forward with their own motion to refer the Bill to a Select Committee. On the other hand, they would have opposed the motion of reference to a Select Committee if they felt that the Bill is all that it ought to be. There are defects in the Bill. It has been examined in the Legislative Department and various defects have been pointed out to us, and we sincerely wish that those defects would be remedied at as early a stage as possible so as to make the position of the Government and the people clear on the point.

But, Sir, having stated that, the Government should not be understood as viewing the position as being one of which either the people or the Government can be proud or under which they can be happy. If Honourable Members will look back to the history of the fight which the Government of India had to put up for the open-door policy, they would realise the reluctance with which the Government approached the Councils when this measure of reciprocity was broached before the Imperial Conference and the War Conference. The Government of India struggled hard to maintain the open-door policy. India has always been kind to strangers. India has always welcomed people from other lands, and, in so far as such people chose to make India their home, the process of assimilation was at work, and the Indian people absorbed those who settled down amongst them. That has been the traditional policy of India, and the Government of India were anxious that that should be the traditional policy. They fought for the open-door policy for Indians abroad, but, when they saw that that policy was leading to great trouble, that it was fraught with danger, that it was only leading to misunderstandings, to bickerings and to heart-rending differences, they reluctantly agreed to the Resolutions which had been adopted at that Conference. I remember there were critics, and there are critics, of the Government of India for their having assumed that attitude at that time, but let it be said once and for all that the Government, having adopted that attitude, would adhere to it; no Dominion should ever be in any doubt or under any suspicion that they wish to back out of the Resolutions which they had come to at that time. It was not, therefore, out of any desire not to affirm the Resolutions of reciprocity confirmed at various sittings of the bodies that I have referred to, that the Government did not come forward themselves with a measure of this description which is under consideration now. They examined the advantages and disadvantages on more than one occasion, and they felt that India had little to gain and much to lose by placing on the Statute-book a measure of this description. They hesitated,—and who can say that they were wrong in hesitating,—to adopt a step which after all may do harm, though it does not seem likely to do very great good. Honourable Members hope, and the Government of India hope, that this Bill might satisfy the people of India, that it will not rouse unnecessary apprehensions in the minds of people outside India, and that it might at the

[Sir Narasimha Sarma.]

same time help the Government of India in solving some of the difficulties confronting them. But there is nothing indicated during the proceedings of the last few months, to make the Government of India optimistic in this matter, I mean by the adoption of this measure. It is clear that the position of India has been strengthened considerably by a frank and free discussion of the difficulties confronting the Dominions as well as India, difficulties which were discussed at the Imperial Conference which sat in October last in London. I venture to say so because, with one unfortunate exception, and a very important exception, namely South Africa, the attitude assumed by the various self-governing Dominions was much more encouraging at that Conference than it has been at any previous Conference. Honourable Members might say that the problem is not so very large, so very pressing, so very important in the other Dominions as in South Africa, and that accounts for the friendly tone that was assumed by the various members representing those Dominions. Let us not minimise the importance of that attitude by importing into the discussion considerations of this description. It is true I suppose that all of us are selfish in our own way, and the Dominions have to look after their own interests, and I daresay these considerations weighed to some extent with the statesmen, who met in London, but reading the proceedings through one cannot help being struck by the decided attempt made from one quarter to induce the Dominion Premiers to take up an attitude which the Government of India and the Indian people could not for a moment accept, and that that attempt had failed, largely owing to the broad-minded statesmanship of the Dominion Premiers. I think in one respect therefore we are now in a very much stronger position than we were in July 1923, or even in the earlier part of October 1923. Thanks to the efforts of our delegates, thanks to the attitude of Lord Peel, and the co-operation given to him by others, we have succeeded in preventing a fusion and consolidation of views hostile to India at the Conference. We have also succeeded in securing for India a very very favourable atmosphere of sympathy that the best that could be done would be done for India in those Dominions, and that at the speediest and earliest date. The Australian Premier, Mr. Bruce, speaking on this subject, said this:

"As far as Australia is concerned, this question has been the subject of considerable public discussion, and representatives of every shade of political thought have shown sympathy with the claim that lawfully domiciled Indians should enjoy full citizen rights. As the question did not figure in the preliminary agenda of the Conference, I have not had an opportunity of consulting my Colleagues or my Parliament upon it. I believe, however, Australian public opinion is ready to welcome, so far as the position of Indians domiciled in Australia is concerned, any measure which is conceived in the interest of the Empire."

New Zealand and Newfoundland, I need hardly say, are completely at one with the Indian view on the subject. With regard to Canada, there also the principle has been accepted ungrudgingly without any quibbling or without any qualifications, only, as was to be expected, the Premier was not in a position to state whether it could be implemented in actual practice in all parts of that vast Dominion. He said:

"I do not expect it will exist very long (that is the situation), but it all helps to show the difficulty with which we are confronted when we contemplate in any immediate way the results which we all hope will be effected in the course of time."

And he points out distinctly that the problem, so far as they are concerned, is not a racial one, and he expresses the hope that at the earliest

possible opportunity this question would be brought to the favourable notice of Parliament; and speaking of the wider aspects of Imperial problems, he states:

"It is inconceivable that the opinions represented at this table and the views of the different Dominions represented here should not accord with the aspirations of self-government."

I do not wish to read any more extracts. It is clear that, so far as the self-governing Dominions outside South Africa are concerned, the position is clearer than was the case some time ago. I am generally an optimist but I am somewhat critical in these matters. In reading some of the proceedings of the Australian and Canadian Parliaments, I must confess that at an earlier period of last year I was somewhat pessimistic as to what the ultimate attitude might be, and that was the reason why the Government of India were not anxious to press the larger problem at that moment, because they thought it was an unhappy moment. But looking at it now in the light of the discussions which have taken place, it is clear to me that the people of the self-governing Dominions outside Africa are willing to help us in the winning of self-government at the earliest possible moment that we may deserve it, and that they are also willing to help us in placing the position of Indians in their Dominions on absolutely that footing of equality that we all hope and desire it should be placed on.

With regard to Kenya, I have already informed the House during the course of this Session, that the outlook is very much brighter than it was when this Bill was under discussion in the Assembly. The new Secretary of State, if I may believe a special cable which was published in "The Leader" of to-day, seems to take as strong a line as Lord Peel, or a stronger line, if you wish that it should be so construed, with regard to the British East Africa problem. Reading from this paper—I cannot say that it is authoritative—but assuming that it is, all of us can put our constructions on it:

"Another chief cause which had shocked India was Government's policy in British East Africa which had introduced two types of British citizenship, the Whites and Indians being put on different footing, which was a departure from the English custom. He hoped Mr. Thomas would deal successfully with these difficulties."

So it is clear from this, assuming that is an authentic version of what did take place, that our new Secretary of State would do his level best to help the Government of India to secure for the Indians in Kenya the position for which they have been fighting all along. Here again therefore the outlook is a little more cheerful than it was in July 1923.

Coming to South Africa, if we may judge by the pronouncements of General Smuts in the Imperial Conference, though there is clear indication that on the question of franchise we are not likely to be successful, on other questions he leaves the door a little open. To my mind it seems that it would be very difficult for General Smuts to escape from the implications of the promises which were indirectly made in answer to the questions put to him at that Imperial Conference. He suggested that, barring the question of franchise, the attitude of the South African Government towards the Indians settled there was one of absolute justice and impartiality. He stated in substance, when the Maharaja of Alwar pointedly asked him as to what the position of Indians in Natal was, they having acquired property, built houses and possessed some rights there, he in substance stated that, barring political rights, barring the difference with

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regard to the Parliamentary vote and with regard to the vote for the Provincial Councils, there was absolutely no legal distinction between the Indian community and the white citizens. I think India may well ask him to keep to his word and to implement the statement that he made on that occasion. I take it that he has led the Conference to believe that South Africa will not embark upon a policy which would deprive the Indian community there of its existing rights and place them under further disabilities. I recognise that it was announced before this Conference that the Government of the Union of South Africa were pledged to bring in a Class Areas Bill, but having regard to this statement, which was subsequent, we may well ask the Union Government to reconsider their position as to whether they should not withdraw from the attitude then taken up on this point in South Africa. I am not for a moment suggesting that we should be optimistic. The Government of the United Kingdom, the British Government, have in unmistakeable terms given a plain and broad hint that in their view the segregation policy is absolutely unjustifiable. Whether it is to be based on the question of sanitation or otherwise, they say:

> "So far as commercial segregation is concerned it has already been generally agreed that this should be discontinued. In regard to residential segregation matters have been in suspense for some time. It is now the view of the competent medical authorities that as a sanitary measure segregation of Europeans and Asiatics is not absolutely necessary for the preservation of the health of the country. The rigid enforcement of sanitary, police and building regulations without any racial discrimination by the local municipal authorities may suffice . . . They have decided that the policy of segregation between Europeans and Asiatics in this country should be abandoned."

I think, therefore, that we cannot complain of the attitude of His Majesty's Government with regard to the policy which they have laid down for guidance in so far as it is possible for them to lay down any rule of guidance for self-governing Dominions. The Government of India have been pressing the same matter urgently, continuously and with such force and vigour as they can upon the Union Government of South Africa. You may say what is the good? Well, there is nothing gained by being pessimistic. We have the somewhat comforting news that Hulett's Bill has been reserved for further consideration by the Governor General in Council. That is a clear indication that they do not want to offend public opinion if they can help it, and I hope therefore that the Union Government of South Africa will listen to the appeal of the Government of India and the request of His Majesty's Government made through Lord Peel when in his final remarks he hoped that General Smuts, recognising his difficulties, would also take into consideration the difficulties of His Majesty's Secretary of State for India and the Government of India. These appeals will not go in vain. May I, Sir, speaking as responsible Minister of the Crown, of a Government ruling over 300 millions of people, may I appeal, however vain my appeal may be in its effects, to the Government of the Union of South Africa? They themselves recognise that the number of Indians in the Union of South Africa is but a very very negligible quantity. It is about 160,000 as against 6 million Africanders and 1½ million white population. Their assimilation which we have been urging continuously is not a difficult matter, especially having regard to the fact that half that number are African born and that these 75,000 Indians or rather Africanders of Indian origin have as much right to the benefits and privileges of the land of their birth as anybody else. May I point out to them that on the assumption that they believe in a British Commonwealth, they would be promoting its solidarity and the harmony of the

various constituent parts by assimilating this small number and by not alienating the sympathies of three hundred millions of His Majesty's Indian subjects. After all, I think there is one broad aspect of generous policy which the Dominions might well bear in mind. An Indian community, settled in these various Dominions, if contented, happy and prosperous, would bind India to the Empire, would cause its adhesion more firm and certain than any other tie can possibly render it so. We would be sending out hostages to the various parts of the world which form parts of the British Commonwealth, we would be sending out hostages there which would render India helpless if I may put it so, even if she wished to sunder her ties with the British Commonwealth. This is an aspect of the problem which cannot be pressed too strongly upon the Dominion Premiers. The talk is continuously of European civilisation as against Asiatic civilisation. I wish for Heaven's sake, for the sake of the British Empire, for the sake of common humanity, that this wide difference or supposed difference is not accentuated by our fellow subjects in South Africa. Wherein does it consist? Does it consist in ethical ideals? Does it consist merely in physical strength? Does it consist merely in dress? . . . . .

THE HONOURABLE THE PRESIDENT: I have to interrupt the Honourable Member with great reluctance. Will the Honourable Member confine himself more particularly to the subject before the House and deal with the Bill?

THE HONOURABLE SIR NARASIMHA SARMA: I bow to your ruling, Sir. But I feel that the position of the Government would have to be made clear in the Dominions, because there is a misapprehension that this Bill might somehow prejudice the position of the Government with regard to the Dominions. That is the reason why I hoped to make the attitude of the Government of India clear that, in not opposing this measure, they are not actuated by any motives hostile to the Dominions, that they are animated by the higher motive of promoting the solidarity of the union of the British Empire. If they saw in the mere passing of this Bill which only affirms in their judgment a principle of reciprocity, if they saw in the mere passing of this Bill any danger to the Empire, any estrangement of the various parts of the British Empire from India, they would have unhesitatingly opposed it. But, while saying so much, let me make it also plain and clear that the Government do not undertake, without the gravest consideration being given to the subject, to take any steps which may be calculated to do more harm than good to the Indian people resident in those Dominions, to India in particular and to the general common good of the British Empire. They feel that they have the power under the Bill, as it stands, to regulate when and how they please, to discriminate between one Dominion and another Dominion. If they on further consideration are advised that it is not possible for them to do so, they will certainly take steps to bring about that desired result. But acting on the understanding that they have got the power to choose the time, the occasion and the Dominion in respect of which any rules may have to be framed, and that they are given complete liberty to judge as to whether any rules have to be framed having regard to the interests of Indians resident abroad, here and to the good of the general Commonwealth, they do not intend to oppose the motion of Sir Deva Prasad Sarvadhikary for the consideration of the Bill. They do not oppose the motion of Sir Maneckji Dadabhoy to refer it to a Select Committee; they leave it to the judgment of Members of this House, official as well as

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non-official, to do what they think best under the circumstances. The official Members of the House will have absolute liberty to vote or not to vote as they please on Sir Maneckji Dadabhoy's motion. The Members of the Government do not propose to vote one way or the other on that motion.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, after having heard the statement made on behalf of Government . . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member can only speak on one point.

THE HONOURABLE SIR MANECKJI DADABHOY: Yes, Sir, I am only speaking on one point. Having heard the statement made on behalf of Government and having heard also the speeches made by the non-official Members this morning, and being particularly told by the Government Member that, though the Bill is defective and badly worded, yet it is a workable Bill, I would pause and wish all joy to the Government and wish them God-speed with this Bill. I have seen that my Honourable Colleagues here are anxious that this badly-worded Bill, badly expressed Bill, should be passed into law to-day. There seems to be some warmth of feeling over the Bill to-day. I do not wish to prolong the debate. I have gained my point; I have got the admission from Government that this is a badly drafted Bill. I have no doubt that 'ere long Government will have to come back to this Council for substantial amendments. I shall rest content for the present if the feeling is so high; and say that if the Government is satisfied with a badly drafted measure, let them by all means have it. I have done my duty in bringing forward my points before this Council. Therefore, as I am convinced that the consensus of feeling is that I should not press my amendment, and as I find that on the other hand there is not a keen desire on the part of Government to accept my motion, I solicit the permission of the Council to withdraw it.

THE HONOURABLE THE PRESIDENT: Is it your pleasure that the Honourable Sir Maneckji Dadabhoy have leave to withdraw his amendment?

(*Some Honourable Members*: 'No.')

THE HONOURABLE THE PRESIDENT: The amendment will stand.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, we all know that this trouble about South Africa has been of longstanding. I think the House also knows that when our Government went to war with South Africa, one of the main causes was that they were not treating His Majesty's Indian subjects properly. Though at that time Indians were debarred from taking part in fighting with the white nations, I wanted to do my bit and asked the Government to send me to South Africa in any capacity and I am glad to say that I was allowed to go and would have gone if peace was not declared then. Again, Sir, the late lamented Mr. Gokhale also brought a motion in Calcutta and Sir Zulfikar Ali Khan and Sir Maneckji Dadabhoy will bear me out that I said that the whole of India was one on this point and that, if the Government is our Government, it will be on our side and if it is not it will not be our Government. Lots of people in those days who thought that a nominated Member could not say such a thing were

astonished at my speaking like this. I have got the same idea to-day. We are very much thankful to the Government, especially after hearing the Honourable Sir Narasimha Sarma, for what they have done, and I hope if they continue their efforts, surely we will be able to get what we want. I am also very thankful to Dr. Gour for having brought forward this Bill in the other House. It may be defective, but I think it should have been made operative at once. But it has not been made operative, and, even if it were defective, the defects could have been remedied by making rules and regulations in the Assembly before now. But, Sir, the Bill, as it is, is in the hands of the Government who are so sympathetic, and I am sure all that we want will be done by them. All along we have wasted our time by holding that we should not offend the Dominions, and I think we were wrong, because, we have been forgetting the principle that offence is the best defence. If we had taken the offensive, this matter would have been solved long ago. Sir, India had only two ways open to her. One was that being the Members of one Commonwealth we were under England, and England could have helped us, so that all the trouble we have so far had from South Africa could have been surmounted. But sometimes when the children of a family become older, they do not hear their parents. In such a case of course it is we ourselves who have to do something in the direction and we are adopting to-day the only course which is open to us. I think if anyone is naughty in any household there is an Indian saying "bring down the man who is naughty," because the next time he will be friendly to you and embrace you. In the same way, Sir, if we also take action against the Dominions, it will be very beneficial. Even if the Government were to remain neutral and we were to settle our differences in some way or other, I think with the teeming millions which India has got, we can stand on our own legs, because it is said that God is on the side of the bigger battalions. I think all my Indian friends would be pleased to hear what Lord Roberts once said in South Africa: "If I had my Indian army I would have put an end to this campaign in no time." We are all as brothers in this Commonwealth, and as long as we are treated properly, we will be considerate to each other but if things come to a head, we would not be backward then in taking the other course. On the whole, Sir, I am very thankful to the Government for having allowed us to pass this Bill straightaway.

THE HONOURABLE THE PRESIDENT: I may inform the House if it is uncertain on the point, that, as one Member expresses the view in the negative, the amendment is still before the House and it must be voted on by the Council.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, as you have just informed the House, the amendment is still before it, in spite of the sweet reasonableness of its Mover and of the opposition—I will not say of the Government Benches, but on the part of some of its opponents. This may probably be due to the feeling that the Bill, as it stands, is so defective in drafting, in spite of what the Honourable Sir Narasimha Sarma has told them that it would be better to send it to a Select Committee. I think from that point of view and as a private member who has brought up this matter for consideration, I should examine some of the matters that the Honourable Sir Maneckji has brought before the House, which probably will weigh with some of the Members on the Government Benches. Before I do that, Sir, I desire to express some doubt as to whether the motion for reference to a Select Committee as it has been framed is in order or not.

THE HONOURABLE THE PRESIDENT: The Honourable Member should have raised the point of order in reference to this motion when it was made. He cannot raise it when replying on the debate.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am referring only to the addition of the words " for further consideration ". I do not raise the point of order in the sense that I desire to have your ruling as to whether . . . .

THE HONOURABLE THE PRESIDENT: Then the Honourable Member had better not raise it at all, because if he raises it and he does not get a ruling, there is no point in raising it.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Well, Sir, I shall proceed with some of the considerations that have been raised before the House. The Honourable Sir Maneckji Dadabhoy has not questioned the principle of the Bill, nor have the Government done so. The only outstanding question, therefore, which is before us is as to whether any of the points that he has brought before the House are really such as will make us take action. The first matter that he referred to is the definition of " British Possessions ". I do not say that we shall do here what we ought to do in the Select Committee if it is appointed, but in treating the case for a Select Committee, I trust you will allow me, Sir, to go into some of the details, details that were considered in the Assembly with care, and having regard to which consideration I took the liberty of saying it would be inconsistent with my dignity . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: Please do not forget that I will have no opportunity to reply.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am sorry . . . .

THE HONOURABLE THE PRESIDENT: There is never an opportunity of replying on an amendment.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Well, Sir, the matter was carefully considered, and the reason why this particular definition had to be accepted and not the definition of the Colonies under the General Clauses Act, was sufficiently made manifest in the speech of Dr. Gour who brought forward this measure. There are three classes of British Possessions to be considered under this category, the self-governing Colonies, the Crown Colonies and a class of Possessions which have since come into existence. To cover all these three classes an expression had to be thought of, and I think with the assistance of the Law Officers of the Government, we decided on the definition that has found its place in the Bill.

In the next place, with regard to the question of entry, that matter was also carefully considered, and the House felt then—and no exception was taken to that feeling,—that, if this measure was to be made effective, all possible steps open to the Government would have to be taken in order that even with regard to the matter of entry the necessary obstacles should be put in the way of those who put obstacles in the way of our people in their own Dominions or the Colonies, as the case might be. The case of seamen was also taken into consideration, and, in view of all the difficulties, the matter was provided for in the particular way in which it has been done in the Bill.

Then with regard to the doubts as to whether, if the people of Indian origin of the fourth or fifth generation wanted to come back to the country, they would not be turned back by the rules framed under this section, that question was also fully considered, and the most comprehensive and least objectionable expression that could be thought of was what has been described by the Honourable Sir Maneckji Dadabhoy as now to the Indian legislative language, namely, " Indian origin ", in preference to " Indian domicile " or any expression of that kind. That again was a matter which was very carefully considered, and, as a result of that consideration, the expression " Indian origin ", was adopted in the Bill.

Now, Sir, with regard to the question as to whether the White settlers in the Crown Colonies who may not have acquired the Colonial domicile and who may not have forfeited or given up British domicile could be sufficiently dealt with under the Bill, that again was considered, and, as the Right Honourable Srinivasa Sastri has explained, it could not possibly be conceived that people who had availed themselves of the franchise, in these Colonies and of the other privileges appertaining to their status of citizens of these Colonies could do without a domicile, and once they did that, they would come under the purview of this clause. If some did not, I suppose a certain residual would have to be left unprovided for and, if some people, who while possessing and owing allegiance to British domicile in the way that they are expected to do, did not come under the purview of this clause, means would have to be found to spread the net wider by an amendment of the rules themselves.

Then, Sir, with regard to differential treatment, I think, the framers of this Bill in the other House as well as those who assisted in its final passage, carefully refrained from anything that might be looked upon as an invidious differentiation. No isolation, no detachment, nor any invidious differentiation was intended. It was left entirely to the Government of India, alone, to decide, and, having regard to the circumstances of the case, to make such rules as would be applicable to the particular cases under consideration. Therefore, Sir, there also no reasonable objection can be taken. I do not expect that there is any serious trouble likely to be caused to the country, at least none more serious than that which exists already, if this perfectly elastic and perfectly clear non-differentiation were to be allowed to stand in the clause.

Then, Sir, came the tender consideration for the African. I do not know, Sir, how much the African has been considered in his own country, and I do not know if considerations of that kind need weigh with those who have to deal with the larger issues at stake. I know whenever any point has to be made with regard to matters that are pressing upon the eyes of the Government or upon people who are interested in the other side of the question, they put forward the case of trustees for the aboriginal people, and then the red herring is thrown across the path.

I do not think any useful purpose could be gained by waiting for an examination of questions like these. If there was real necessity to exclude that class of people from the purview of the rules, I submit that under clause 3 the Government would have adequate power to deal with the subject as it thought fit under the circumstances. Sir, I shall not detain the House considering the cases of the members in the Indian Civil Service or of Major-General MacWatt of the Indian Medical Service, or the gallant officers serving in the Army: I am sure Government will find means of protecting those already in service, and taking steps that further invasions of that kind are avoided . . . .

THE HONOURABLE SIR NARASIMHA SARMA: The Government proceed on the assumption and in the belief that they are excluded. The Acts exclude all officers employed in His Majesty's Army, Navy, or the Civil Service, and these provisions and restrictions do not apply to them. I should have made it clear.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am thankful to the Honourable Member for making it clear. In fact his speech has been the most powerful support I have yet had to the motion now before the House standing in my name. That I think, Sir, exhausts the matters which are really matters of principle, which are not matters of drafting at all, and although Sir Maneckji has been telling us throughout that he has no quarrel with the principle, he really has been attacking the principles involved in those points. If these are all the objections to the Bill—and the Government has not brought forward any others, nor has any Member taken it upon himself to object to the withdrawal of the amendment—if these are all, they are satisfactorily disposed of and there is no case for the Bill going before a Select Committee.

Sir, an appeal has been made to the dignity and prestige of the House. I shall not add to what the Right Honourable Srinivasa Sastri has said on this point. I think it is a point of honour with us now to give sanction to what the Assembly, after careful deliberation with the assistance of the Government, has been able to evolve. It is frankly a compromise. It may be open to objection. What Bill, what Act, cannot be torn in pieces, as Sir Maneckji wanted to tear this in pieces? Take for instance the Criminal Procedure Code; it could be torn into shreds; but that is no reason why this measure should be held up and sent to a Select Committee, probably with chances of amendments, drastic or otherwise, which would necessitate its going through the other House and then following a career which I do not want now to contemplate, and cannot contemplate, with equanimity.

I will draw the attention of the House to the provisional wording of the phraseology of clause 3. It limits itself absolutely as regards entry into and residence in British India, and has nothing to do with trade, nothing to do with business, nothing to do with various other matters with regard to which Indians are having difficulty abroad.

I do not want to take up the time of the House now, Sir, with regard to personal matters that Sir Maneckji has been good enough to introduce. I hope I do not bring to the House any revolutionary atmosphere. I am glad and proud that I have had three years' training in another House and I hope I shall be able to continue looking up to those traditions, and having some life and some reality produced in this House, not in a revolutionary spirit, but in a spirit which implies that we are correlating bodies, not correcting or revising Chambers. My friend has not read the Rules and Standing Orders. If we do not originate Bills, we ourselves do not get enough chances of being corrected. That is why we get the right of correcting the others, and I do not think we shall do well to run away with ideas like that and want to amend a thing merely because it can be amended, but allow it to go forward if there are no serious defects in the Bill . . . .

THE HONOURABLE SIR NARASIMHA SARMA: Sir, I only wish to make one point clear lest there should be a misapprehension in the minds of the public or in the minds of the officers serving in the Government of India or in the Provincial Governments. This Bill can have no retrospective effect,

and all the Dominion Legislatures have clearly exempted from the operation of any rules they may pass officers of His Majesty's service. If the Government of India feel any difficulties, the matter will be made perfectly clear and no manner of doubt or apprehension need arise in the minds of any officers that this Bill can be or will be utilised in any manner whatsoever to their detriment.

I have already stated the attitude of Government with regard to the principle of the Bill. They are by no means happy with regard to this piece of legislation. There is no use in disguising from the House or from the public that they deplore as much as any one here, I believe, the circumstances which are leading to the passage of Bills of this description either here or in other parts of the British Commonwealth. I have already taken care to state the attitude of Government with regard to the framing of the rules under this Bill. The greatest care will be taken in considering as to whether and when the rules have to be framed in pursuance of this Bill. The Honourable Dr. Sir Deva Prasad Sarvadhikary was perhaps a little too strong in stating that the Government have no fears with regard to the workability of the Bill. Our advisers have brought forward various difficulties which may have to be faced, but we believe, as I have said already, that these difficulties are not of an insuperable character, and, if we feel on further examination that anything stands in the way of the Bill being a workable one, the Government will say so and it will be perfectly open either to Honourable Members of this House or to the Assembly or to the Government itself to bring in any motion by way of amendment. But that does not mean that the Government would deprecate in any manner whatsoever the reference of this Bill to a Select Committee of this House, if the House so chooses. They would welcome that opportunity, only they have stated their reasons for not themselves pressing it upon the attention of the House.

With these few words, Sir, I say that the Government accept the principle and do not oppose the motion, while they express their regret that such a motion should ever have been rendered necessary or felt to be necessary by the Members of either House.

THE HONOURABLE THE PRESIDENT: The original question proposed was—

"That the Bill to regulate the entry into and residence in British India of persons domiciled in other British Possessions, as passed by the Legislative Assembly, be taken into consideration."

To that motion an amendment was moved:

"That the Bill be referred for further consideration to a Select Committee consisting of the following Honourable Members :—

The Honourable Dr. Mian Sir Muhammad Shafi,
The Honourable Sir Narasimha Sarma,
The Honourable Mr. J. Crerar,
The Honourable Sir Deva Prasad Sarvadhikary,
The Honourable Sir Dinshaw Wacha,
The Honourable Sir Muhammad Rafique, and
The Honourable Mr. R. P. Karandikar."

Permission was asked to withdraw that amendment but the House refused permission. It is therefore my duty to put the question to the House.

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The remaining question is the original motion.

"That the Bill, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Council will now proceed to the detailed consideration of the Bill. I will proceed as usual reserving the Preamble till the end. I will call each clause and any Honourable Member desiring to make any observation on it will do so.

Clauses 1, 2, 3, 4 and 5 were added to the Bill.

The Preamble was added to the Bill.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, I now beg to move:

"That the Bill, as passed by the Legislative Assembly, be passed by this House."

I am grateful to those who blocked the motion for amendment, and that they also became permeated with sweet reasonableness.

The motion was adopted.

DEATH OF SIR AHMEDTHAMBY MARICAIR.

THE HONOURABLE THE PRESIDENT: I very much regret to have to communicate to the House that since we sat to-day information has been received of the death of one of our members—Sir Ahmedthamby Maricair. I have just received a telegram to the effect that he died last night. The news has come as a shock to all of us. I am quite sure the House will desire me to convey its sympathy to his relatives. As Honourable Members will recollect, it was only yesterday Sir Ahmedthamby had a motion on the agenda paper and I was informed by the Secretary that he had become suddenly ill and returned to his home; but nobody anticipated that his illness was of a serious character. Had the telegram come earlier in the day, I would have adjourned the House as a mark of respect, though I feel sure that our late Colleague would himself have preferred that we should carry on the business of the House as usual.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I am sure all Honourable Members have heard the news of the sad and untimely death of our late Colleague with the deepest regret. I am sure that every one of us would like to associate himself with the observations which have fallen from your lips, Sir, and we all agree that it would be in the fitness of things that you, Sir, as our President, should communicate the deepest sympathy of the House to the members of the deceased's family.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non-Muhammadan): Sir, it is very melancholy news that it has fallen to your lot to communicate to us. Many of us were great personal friends of the late Sir Ahmedthamby Maricair. I had that honour myself. To me the loss is personal, for I have received from him many an obligation which I shall long remember. He was a valued Member of this body and he was very active and energetic and he would have been of equal value and energy in this Session if he had been spared. We wish you, Sir, in our name to carry out your intention and communicate to the relatives of the deceased the sincere condolences of this House.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): I associate myself, Sir, with the remarks which have fallen from the Honourable the Leader of the House and the Right Honourable Srinivasa Sastri. The late Sir Ahmedthamby was a personal friend of mine and we served together in the old Madras Legislative Council. He was very sane in his views, very moderate and fearless in expressing them. He was very hard-working and pressed continuously upon the attention of the House and the Government the needs of the community to which he belonged. In this House he has been an invaluable Member. He was active in taking part in the deliberations of this House and I must express my debt of gratitude for the help he had rendered to the Emigration Committee which had to sit long and continuously in dealing with the problems connected with Ceylon and the Straits Settlements. I was hoping for his help in dealing with certain questions connected with emigration, with quarantine and other matters in which he took great interest, and I am very sorry indeed personally—and speaking on behalf of the Government—that we have been deprived of his services. I hope, Sir, that the members of his family will feel some consolation that their grief is shared by the Members of this House and by his numerous friends here and elsewhere.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I also should like to associate myself with the expressions of regret that have fallen from the lips of the various Members of this Council at the sad news which you have just announced. But a few days ago, when I was in Madras, the Honourable Sir Ahmedthamby Maricair gave evidence before the Committee on which I have the honour to serve. He then seemed full of vigour and gave his evidence in his usual hearty and downright manner and it comes as a considerable shock to me to hear of his sudden death.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, as a Muhammadan representative I think that our deceased friend did a great deal for the cause of the Muhammadan community, especially for the pilgrims; and his Resolution which was down on the agenda would have further done a great deal of good to Muhammadans had he lived and come up here to move it. I acknowledge his services very much as a Muhammadan.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): I join with you, Sir, and the other speakers in the words spoken on the sad and untimely death of our friend and Colleague, Sir Ahmedthamby Maricair. I heartily support the suggestion that a message of sympathy should be sent to the family of the deceased.

THE HONOURABLE THE PRESIDENT: It will be my painful duty to carry out the direction of the Council in this respect, and a message couched in suitable terms will be sent to the members of the deceased's family. I would further suggest that a copy of the proceedings of this afternoon relating to this matter be sent along with the message.

The Council then adjourned till Eleven of the Clock on Thursday, the 14th February 1924.

COUNCIL OF STATE.

Thursday, the 14th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN.

The Honourable Mr. Ernest Burdon, C.I.E. (Army Secretary).

CANTONMENTS BILL.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I beg to move:

"That the Bill to consolidate and amend the law relating to the administration of cantonments, as passed by the Legislative Assembly, be taken into consideration."

The measure of reform which this Bill embodies has been before the country and the Legislature in one shape or another for a considerable time, and I imagine that Honourable Members of this House are generally familiar with the subject. I do not propose therefore to occupy the time of the House with any lengthy observations in support of my motion. At the same time it may be convenient to Honourable Members if I recapitulate as briefly as possible the history of the measure now before us, and outline the general purpose and scope of the Bill.

The question of reforming the system of cantonment administration was first brought into prominence in recent years by the efforts of an association, composed chiefly of persons connected with cantonments, and well acquainted with the problems in which the civilian residents of cantonments have a special interest. In the work of this Association my Honourable friend, Khan Bahadur Ibrahim Haroon Jaffer, a Member of this Council, has always taken an important part. The Association succeeded in gaining the sympathetic attention of my predecessor, General Sir Charles Munro; and in March 1921, the Government of India appointed a Committee, which included representatives of the All-India Cantonments Association, to investigate what steps should be taken to liberalise the existing methods of cantonment administration. The Committee reported in October 1921, and thereafter the Government of India consulted Local Governments in regard to some of the more important changes which the Committee had proposed. In March 1922, His Excellency the Viceroy received a deputation of the All-India Cantonments Association, and on that occasion gave an assurance that Government would carry out such measures of reform as could be adopted without prejudicing the arrangements necessary to safeguard the health, welfare and the discipline of the troops. Later, after replies had been received from Local Governments, a Bill was drafted and introduced in the Legislative Assembly in March 1923. In July 1923, after receiving further opinions on the Bill, as introduced, it was referred to

[His Excellency the Commander-in-Chief.]

a Select Committee of the Legislative Assembly. The report of the Select Committee was unanimous, and the Bill was passed by the Legislative Assembly in July 1923, without the recommendations of the Select Committee being modified in any material respect. This is the Bill which I now ask this House to take into consideration.

The circumstances out of which the demand for reform arose are clearly marked and can be explained in a very simple manner. Cantonments in their origin were military camps; they were created primarily for the accommodation and for the service generally of troops in peace time; and, when they were first established, the needs of the troops constituted the sole consideration by which the system of governing cantonments had to be, and was, determined. Indeed the service of the troops is still the primary requirement; and for this reason cantonments must still remain different in certain respects from municipalities. But in the course of time changes have occurred in cantonments which it is necessary to recognise and to some extent to provide for. The population of cantonments has increased and diversified; and there are now many large cantonment areas in India containing a considerable number of civilian inhabitants, whose presence in cantonments has no specific connection with the troops or with the military administration. It is only natural, and in accordance with the spirit of the times, that in cantonments such as I have described, the civilian population should have come to desire, and desire very keenly, that the government of cantonments should acquire a more progressive and popular character. Institutions which are suited to the purely military government of purely military areas naturally do not commend themselves to men who have seen representative institutions introduced in the general government of the country. It is true that the civilian residents of cantonments voluntarily took up their residence in cantonments and voluntarily exposed themselves to the disabilities of cantonment law. It is also true to a large extent that civilians came to reside in cantonments for their own advantage, and because they appreciated the security and indeed the high standard of efficiency in matters of public health, for example, which were to be found under cantonment administration. These would be logical arguments for refusing to contemplate any measure of change; but Government recognised that they were not practical arguments and accordingly agreed, subject to certain vital reservations, to adapt the administration of cantonments to the more progressive ideas of the present day. The reservations to which I refer are also of a simple character. The fundamental purpose for which cantonments exist must not be lost sight of: they cannot be merely converted into municipalities. Certain special powers must be reserved to Government to safeguard the health, the welfare, and the discipline of the troops; and the means of exercising these powers must also be secured. Fundamentally, therefore, the conception of the Bill now before the House is that it shall serve two well defined purposes, that the provisions of law which it seeks to introduce shall deal justly and fairly with two important interests—the interests of the civil community and the interests of bodies of troops, the two living together in close association. But the interests of troops have to come first. It is impossible to emphasise too strongly the importance of this aspect of the matter, and I ask Honourable Members to bear this basic principle continuously in mind when they come to consider the Bill. There is hardly a part of the Bill on which a proper conclusion can be reached without applying this test.

The main features of reform which have been embodied in the Bill are as follows. Speaking generally, the government of cantonments will be municipalised so far as this is compatible with the special military requirements to which I have previously alluded. In every cantonment of importance there will be a Cantonment Board or Committee. The cantonment magistrate, who is at present the most important and, I am told, the most autocratic functionary in the system of administration, is to disappear. At present he combines in his own person judicial and executive powers. The judicial work which he performs will be transferred to the civil judicial staff of the Provincial Governments, and executive powers will in future be vested in an Executive Officer, who will also be the Secretary to the Cantonment Board. Again, the substantive law relating to cantonment administration will be embodied in a modern Statute, which only the Legislature can alter, instead of, as at present, being contained largely in a Code, which is subject to alteration by the Executive Government. The supervision of cantonment affairs of a strictly municipal character will pass into the hands of the civil Government of the provinces in which the cantonment is situated; and the Cantonment Boards in all important cantonments will contain a considerable proportion of elected representatives to safeguard the interests of the civil population. There will be an official majority; but it will be a majority of one.

The special powers which it is proposed to retain for the military authorities need not, for my present purpose, be described in detail. I have already indicated generally what they are. They are powers in respect of matters affecting the health, the welfare, and the discipline of troops. I must explain that we do not propose to take any new powers: we propose only to retain, out of the provisions of the existing Cantonment Act and Code, those powers which are held to be essential for the special purposes which I have mentioned. In order to ensure that Government will have the means of exercising these powers, it is proposed that the Executive Officer, who will also be the Secretary of the Cantonment Board, should be an officer appointed and dismissed by Government. It is proposed further that the same arrangement should obtain in respect of the Health Officer. But Government, as they desire to keep in their hands the power of controlling these officers, will also undertake to meet the cost of their salaries. Again, as I have previously mentioned, there will be an official majority in those cantonments where there is to be an elected Board. Finally, I must not omit to mention the power to exclude from cantonments undesirable persons, especially persons who are likely to contaminate the loyalty and discipline of the troops. This is a power which in recent years has attracted considerable attention amongst those who are interested in cantonment matters: but here, again, for the purpose which my present observations are designed to serve, it will be sufficient to explain that in this case also the power which is sought to be taken is nothing new. Government have had this power for many years under the Cantonment Code. The manner in which the power had been used was carefully investigated before the present Bill was brought before the Legislature, and the provision in the Cantonment Code itself was substantially modified, in the summer of 1922, in the direction of prescribing additional safeguards which would ensure that the extraordinary power of expelling an undesirable person from Cantonments would not be exercised except in cases where it was really necessary to do so. The modified rule in the Cantonment Code to which I refer has therefore actually been in operation for over 18 months, without having given rise to any

[His Excellency the Commander-in-Chief.]

complaint of oppressive use. It is this modified rule which was incorporated in the present Bill, and, in the course of the passage of the Bill through the Legislative Assembly, the safeguards to which I have alluded have been further strengthened. Now, Sir, before I conclude my description of the more important provisions of the Bill itself, there is one central point on which I wish to lay the utmost emphasis. If the reservations which Government have made in framing the Bill were to be waived, then cantonments would not remain cantonments at all; they would merely become municipalities, and I do not think there is any Honourable Member of this House who would take the view that we are in a position to do without cantonments. That, Sir, is the crux of the whole matter.

I now wish, Sir, with the permission of the House, to deal with one or two administrative questions which are not precisely within the scope of the Bill, but which have a very definite bearing upon the working of the system of government which the Bill seeks to introduce. Honourable Members who have studied the Report of the Select Committee of the Legislative Assembly will have seen that that Committee made two recommendations as regards administrative matters, of which the first was that the ultimate control of cantonment administration under the reformed system should be exercised by the Government of India in the Army Department, and not by any executive military authority. They also recommended that the Executive Officer of the cantonment, though he may be a military officer subordinate to the Army Department, should, like the Cantonment Magistrate of the present, be an officer in civil employ. The significance of these two recommendations will be clear to the House, and I am sure that it will interest the House to know that, as part of the administrative arrangements, which we have been recently concerting in the hope that the Bill will be passed, we propose to carry out both these recommendations of the Select Committee. We also propose to adopt another piece of administrative machinery which has been advocated by some of those who have been concerned in the promotion of cantonment reform, namely, we propose to employ, in the initial stages, at any rate, a number of inspecting and advisory officers to assist the Army and District Commanders, and the Executive Officers, in the discharge of the new duties which would be imposed upon them by the provisions of the Bill. We should require these officers to devote their special attention to developing the new institutions in practice so as to extract from them the greatest degree of usefulness. Finally, we propose, if this Bill is passed in its present form, to reserve a number of appointments of Executive officer for Indian military officers; and, if we succeed in obtaining suitable candidates in the first stages, this particular departure would be extended as circumstances permit. Sir, I am myself convinced, and I hope I shall succeed in convincing the Honourable Members of this Council, that the Bill which they are asked to consider is as liberal in its conception as anyone can reasonably expect who desires good government for the country as a whole, and recognises that the military administration of the country has certain special needs which require special consideration; and I think the House will realise from the observations which I have just made, that the purpose of Government is equally liberal in regard to the framing of the administrative machinery which would be required to give effect to the system embodied in the Bill. The changes which it is proposed to introduce will be great; but I myself have little apprehension as regards their result. In the state of development which

economic causes and advancing political conditions have brought about in many of our large cantonments, the work of cantonment administration imposes a severe tax upon the military officers principally concerned, particularly as under our present system they have a very large personal responsibility. Complicated questions of municipal administration, the management of lands, and the legal and financial issues which constantly arise are outside the professional experience of a purely military officer and interfere with his legitimate duties of training troops and administering purely army services. Government have set out to meet this situation in two ways. As, no doubt many Honourable Members of this House are aware, we are, in cases, where it is physically and geographically possible to do so, separating off the purely military area from the area in which the civil population, unconnected with the troops, resides, and reconstituting the latter as a local self-governing body under the civil administration. Where this is done, the cantonment will once more become to a large extent what it was originally, namely, a military camp in which military interests can reign supreme without affecting the ordinary civic life of other sections of the community. There are many cases, however, in which separation is not now feasible, and may never be feasible. For such cases the new system of cantonment administration embodied in the Bill before the House will, we hope, provide an adequate remedy: it is at any rate in our opinion the most suitable remedy which we can devise to meet the interests of all who are concerned. With these remarks, I commend the Bill to the consideration of the House.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): Sir, I have been looking forward to the day when the new Cantonments Bill would be laid before this *House*, and it is therefore a matter of great pleasure to me that after all the Bill has been presented to-day for consideration by this House. The Bill is a belated measure. The cantonment people expected it to become law in the last year's winter Session of the Central Legislature. The people are therefore very anxious to see that this Bill is passed and given effect to with as little delay as possible.

Sir, the Bill is supposed to embody the principles of the Montagu-Chelmsford scheme of reform with a view to liberalise the cantonment administration and to introduce therein an element of popular control with due regard to military interests. It is my good fortune to have been associated with the scheme of reform of cantonment administration from its very start. I headed a deputation of the representatives of the cantonments civil population that waited upon Sir Charles Munro on 20th April 1920, with a demand for the reform of cantonment administration. That large-hearted statesman sympathised with the demand and appointed a Departmental Committee presided over by Mr. H. D. Craik, to go through the memorandum of the cantonment people's demand presented by that deputation and to report how far the reform indicated in the memorandum was within the range of practical politics. The report of the Craik Committee was sent to the All-India Cantonments Association for an expression of its views and suggestions thereon and the Government of India appointed, in 1921, a representative Cantonment Reform Committee to consider the memorandum of the suggestions of the Association and the report of the Craik Committee and to report to the Government in what form and manner the cantonment law should be revised with a view to introduce in the cantonment administration the spirit of reform. The Committee held its sittings in Delhi for several months and eventually its report was submitted in October 1921. I had to record a *note of dissent*

[Mr. Haroon Jaffer.]

as I felt that in some important matters the recommendations of my Colleagues fell considerably short of what was implied by the introduction of the spirit of reform in the cantonment administration. I advocated an elected majority in the Cantonment Boards to be constituted under the reformed law and the deletion therefrom of the obnoxious clause dealing with the explusion of cantonment residents.

Such is the brief history of the new Bill that has been laid to-day before the House. Connected as I have been with it, since its very inception, great is my surprise and disappointment when I find on going through the Bill that not only does it not take full cognisance of the note of dissent written by me, but it overrides some of the most important unanimous recommendations of the Government of India Representative Cantonment Reform Committee. The ground work for this enactment prepared by that Committee after an expert examination of the subject, has not been fully availed of, in some very vital points. The future Cantonment Board will be a smaller body than that suggested by the Reform Committee and would not consequently ensure adequate representation of all the interests in cantonments. Then the Reform Committee never contemplated an invidious distinction between the cantonments in the North-West Frontier Province and the rest of India. Under the Bill, the former could have the right of " election " only at the discretion of the Local Government.

Then the Reform Committee has strongly recommended the abolition of the existing excessive control over the Cantonment Boards and has urged that the power to suspend or revise the decisions of Cantonment Boards should rest either in the Command or the Local Government concerned. But the Bill keeps the present objectionable control intact. The District Magistrate, the Officer Commanding the cantonment, the Command and the Local Government—all these four authorities will continue to keep their sword of Damocles hanging over the heads of the Cantonment Boards. The Reform Committee deprecated this unnecessary and crushing control in the following words:

" We recognise and accept the principle that there should be control in certain cases by superior authority, but it is our considered opinion that the number of these authorities is excessive. With this view Mr. Craik's Committee entirely agree. Their number should be restricted to two and some of their powers might without detriment be curtailed."

Again, Sir, we find that the clause dealing with the construction of buildings has been so drafted as to withdraw even the present facilities from the cantonment people. At present an application for the construction of a building not considered by the Cantonment Committee within six weeks stands automatically sanctioned, but the new Bill requires the applicant to give a registered notice to the Cantonment Committee after the expiry of one month and the *automatic sanction* after six weeks is only to follow if such registered notice has been given. Thus while the Cantonment Board is protected from the consequences of its dilatory or indifferent methods of treating such applications, a new *obstacle* has been placed in the way of the people in a matter which concerns their every day life.

Then, again, there is in the Bill the general enhancement of penalties for breaches of municipal rules to an extent unknown in modern municipal administration. Thus under the cover of reform, the chains of law have been tightened.

Let us look at the clause dealing with " expulsion ", as it now stands in the Bill. In one respect it is worse than the existing one which is sought

to be improved. Under this clause, a person can be expelled from a cantonment if, in the opinion of the Officer Commanding the cantonment, "*he is likely to cause disloyalty, disaffection or breaches of discipline amongst any portion of His Majesty's Forces*". How is this officer to know whether a certain person is likely to commit such an offence? One can understand punishment for an offence done or attempted, but I have not come across a legal enactment making the supposed inclination of a person to commit a certain offence punishable. And then, who is the official that is to judge of such "likelihood"—a military officer seldom coming in contact with the civil population, not unoften a tool in the hands of the cantonment subordinates and with no legal knowledge and training to find out the truth from the chaff laid before him by interested subordinates and with no extraordinary intellect to discover the propensities of human nature towards the commission of a certain offence. To my mind, this is the most objectionable part of the new clause.

Then the Cantonment Reform Committee has recommended that the person expelled should have the right to demand a judicial trial by the District Magistrate immediately after the inquiry. The present clause provides such subsequent inquiry but it does not state or prescribe its nature. It may be judicial or departmental, and in the latter case, it will, I have every reason to fear, generally be a mere white-wash, a further support lent to the discretion of the Officer Commanding a cantonment. I recommended the entire deletion of such an unjust clause, as the ordinary law of the country was quite sufficient to prevent effectively any sinister attempts made to tamper with the loyalty of the troops. But the clause has been retained in a form far less satisfactory than that recommended by the Reform Committee and has in it ingredients of abuse and, consequently, of real and considerable hardship to the cantonment people.

Again, the Cantonment Reform Committee has recommended that the Cantonment Board may have the power to appoint its own Secretary where the funds may permit it. But the Bill vests this power in the Government of India. There is nothing in the Act to provide that the Cantonment Board can exercise any kind of control over the Secretary, who will be its Executive Officer to carry out its decisions. To my mind the whole arrangement is anomalous. A Cantonment Board, destitute of all control and power over the officer who is to give effect to its "orders" and with no hand in his appointment, is surely not in a position to carry on its affairs in a dignified spirit of responsibility.

I need not specify further instances where the Bill is at variance with the recommendations of the Reform Committee. In its existing form, it has many defects which will perhaps make the cantonment administration stiffer in some respects. But, as I have said above, Sir, the cantonment people are tired of waiting for the new Cantonment Reform Scheme and they want something, *however defective*, to start with. I shall not therefore oppose the consideration of the Bill by the House, though under ordinary circumstances I should have made an earnest appeal to the House to have the Bill recast on the lines indicated by the Reform Committee. I would not, for similar reasons, move any amendments to the Bill; for, in case the House accepts an amendment, the Bill will have to go back to the Assembly and thus be delayed.

I admit that the Bill even with its defects is an improvement on the existing cantonment law, and that even in its present form it will remedy some of the evils of the existing Cantonment administration. I realise that

[Mr. Haroon Jaffer.]

no enactment is perfect when it is first made. Any shortcomings it has and that may come to light, in its actual working, are remedied by a future amending Bill. It is in this hope that I request the House, Sir, to consider and pass the Bill without any amendment. Sir, I know the feelings of my fellow residents of the cantonments who have kindly reposed confidence in me in this matter. They conferred upon me the great honor of electing me as the President of their Conference, in the Meerut session when the Cantonment Reform was discussed and deliberated upon, in all its essential details. With the trust they so generously place in me, I am in a position to say that they desire the Bill to become law immediately and not to subject it to any further delay by trying to get its defects remedied by moving amendments. I yield to this popular desire and I hope, Sir, that this House will extend a similar regard to the wishes of the cantonment people in this connection and pass the Bill in its existing form.

THE HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab: Muhammadan): Sir, I rise to support the Bill. His Excellency the Commander-in-Chief in the course of his speech has given weighty reasons in support of the measure which he has introduced into this Council. He has traced the history of this Bill from the very beginning and Honourable Members will realise that the history which he has outlined gives a full account of the vicissitudes through which this Bill has passed. He has expressed in eloquent terms the important change which has been made in the administration of the cantonments. He has said that a very substantial step forward has been made by separating the judicial functions from the Executive. From this, Sir, it is clear that, if the civil judicial functions are exercised by a civil judicial officer who is to be appointed by the civil authorities, there can be no fear of any miscarriage of justice. There may be flaws in this Bill, but is there any law in the world which is free from flaws? It is said that the laws of the Medes and Persians change not, but the present laws have constantly been changed and amended. And, if in the light of future experience, there are any defects left, it is open to the Legislature to suggest remedies and amend the law.

My Honourable friend, the Honourable Mr. Haroon Jaffer, said that this Bill overrides some of the most important suggestions made during the course of the deliberations of the Committee. Well, Sir, it may override certain opinions, but the question is whether the head of the Military Department, that is, the Commander-in-Chief, who is responsible for the administration and discipline and good spirit of the Army, is to have any voice in the administration of the Cantonment. If he is divested of all authority or authority which may invest him with discretion, I do not think that he can take responsibility for the good discipline and good behaviour of the troops.

THE HONOURABLE MR. HAROON JAFFER: The representatives of the military were there in the Committee.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: I again assert that, whatever opinions the members may have had, the Commander-in-Chief must finally be held responsible for the functions which he discharges in India and, if he is dissatisfied with any suggestion or does not accept it, I for one would support him in his opinion. There is no administration which can afford to interfere in the administration of the military. It is the one power in every country which gives hope of stability of administration and which maintains peace and order. If that power is weakened,

I do not know what may happen. It is not so in India alone. Take any country in the world—take the countries of Europe even—there is not one that can afford to dispense with this kind of authority. Sir, in China we see the conditions which prevail at present. It is broken up into bits because there is no central authority left and the military power, which in a well-organised administration exercises full functions, is weakened there; and, if the same conditions prevail in India, Honourable Members can understand that the peace of the country is jeopardised.

My Honourable friend, in the course of his speech, said that any man whom the military authorities may suspect may be expelled. Well, it stands to reason that any man who tampers with the loyalty of the troops or their discipline cannot be left to play the fool or play with fire, and the Commander-in-Chief, who is ultimately responsible, must see that his troops remain in a condition in which they can well discharge their duties.

With these views, Sir, I strongly support the Bill which has been put forward by His Excellency the Commander-in-Chief.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, though I am prepared to admit that the present Bill marks a distinct and substantial advance on the old Act, I will not go so far as to admit that this Bill is a perfect one and redresses effectively the long catalogue of grievances of the civil populations residing in military cantonments. As a measure which makes very many salutary improvements on the working of the old Act and which effectively supplies the civil population with a larger measure of safety, peace, and protection and ensures adequate provisions for their health and sanitation, I welcome this Bill, but I still think that this Bill does not come up to that high standard of efficiency and convenience which one would ordinarily expect to prevail in all places where a large body of the civil population resides. His Excellency the Commander-in-Chief has stated and brought forcibly to the notice of the Council that it is the primary object of the Cantonment law and authority to look after the interests of the military population. No body can possibly challenge that statement. It is true that adequate provisions should be made for the health and safety of the military population and all measures should be adopted to look after their comfort and prevent their population or contamination and also breaches of discipline. Though agreeing with that proposition, it must also be borne in mind that the cantonments of our present age are not solely the isolated military cantonments of the past. In most of the present cantonments a large civil population resides, and that population is progressively increasing year after year. New trades and new occupations are brought into these cantonments daily and the cantonment revenue is very largely supplemented by the industry and the trade of the civil population. It is therefore necessary that the civil population should be well protected, not only in their trades and occupations but from the many inconveniences and hardships which they are ordinarily subjected to in some cantonments. I acknowledge, therefore, with gratitude the changes made in this new Bill, and we are grateful for this great improvement to His Excellency the Commander-in-Chief who in his sympathy for the civil population has accorded a fair measure of relief by this Bill. Though the Bill is not a perfect one, though the Bill does not meet adequately the existing needs, conveniences and requirements of the civil population, yet it ought in my opinion to be accepted as it stands at present as a piece of progressive and improved legislation, leaving it to later times to make such further improvements as may be found necessary. I agree with my friend the

[Sir Maneckji Dadabhoy.]

Honourable Mr. Haroon Jaffer that it will serve no useful purpose if any amendments are proposed at this stage and the passage of the Bill is unduly delayed. The grievances in military cantonments are still very numerous. Of late, the civil population in cantonments have got tired of the administration under the old Act. This Bill specially marks a great improvement in the matter of the constitution of Cantonment Boards, as it permits the civil population to elect their representatives. The old autocratic and arbitrary authority of the Cantonment Magistrate is destroyed and a Cantonment Board is created to whose notice the grievances of the civil population may be brought and redressed. It is true that the representation given is not adequate. But at present the Bill marks a distinct step towards a fuller and more adequate representation and as such I support it. Formerly, too, Sir, there were many difficulties under the old Act in the way of people going to reside in cantonments and carrying on their ordinary avocations. This Bill fortunately effects a great improvement in that direction and many of those harassing and irritating disabilities have been removed, thanks to the generous foresight of His Excellency the Commander-in-Chief and to the sympathy with which he has looked into the matter. Another great improvement which this Bill makes is that the executive orders will not remain unassailed and undisputed as hitherto. Under the old Act, erroneous executive orders passed by an arbitrary magistrate remained unredressed. A right of appeal is now given under the present Bill for the correction and modification of those orders. Another great advantage which is secured is that formerly residents in cantonments were not in a position to lay their case in person and more effectively before the Cantonment Magistrate and the military authorities, but the people, under the present Bill, are allowed to represent their cases to local authorities through legal practitioners. I remember that in olden times when I went to the cantonment of Kamptee to lay the grievances of certain of my clients I was sometimes definitely told that I was not required there. Fortunately, this Bill in a statutory manner dispenses with that unfortunate prohibition. Sir, on the whole this Act is a great improvement on the past. We are thankful that this has been brought about with as much despatch as possible, and we hope that this Bill will be passed to-day, in order that it may be put into working operation immediately to the satisfaction not only of the military but also of the civil population. I therefore support this Bill as it stands though realising its many imperfections.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, my burden has been greatly lightened by my friend the Honourable Sir Zulfiqar Ali Khan who has said most of what I wanted to say. Personally I think that there was not much use in bringing this Bill at all, because, as we have heard from His Excellency, the cantonments were primarily intended for soldiers. If any civilians went there, it was for their own benefit. They went as secondary persons and they ought to have been liable to all the discipline which was meant for the soldiers. It is not right to behave like the camel that went to hide its head in an old woman's hut, then put its neck in and then all its body, and she had to go out. If the civilian population were to go into cantonments like that, then the army would have to go somewhere else. Once I said, in order to help my friend the Honourable Mr. Ibrahim Haroon Jaffer when he brought a Bill, that when a man did not want to pay anything for his sheep, when he was told to separate his one sheep,

he said, 'you separate the flock from my sheep'. In this way, when one man does get at the fidelity of the troops, our friends will say, " Instead of that man being removed, let all the thousands of troops be taken away from the cantonments ". The army is meant to quell disturbances when there is trouble somewhere else. If there is trouble created in their own home in the cantonments, are they going to put down the disturbances in the cantonments or are they going out to do duty somewhere else? Some of the parties which have created trouble in our country were first confined only to their own homes, that is big cities. Now, they have gone into the country from where the army is recruited, and if they are further allowed to pursue the soldiers into the cantonments, I think it is time that such a thing was stopped. This Bill has gone further than even the civil areas. In the civil areas, the judicial and the executive are not separated yet. But here, in the cantonments, they have gone one step further and separated the judicial from the executive. It is said that when you put gold on steel it melts. These cantonments people have got lots of money earned from cantonments and from the troops in one way or the other. They have united together and they have been able to do whatever they liked. But as you have heard from His Excellency the Commander-in-Chief, there is still something left in the powers of the army officers by which they can expel undesirables. So I think I should not raise further objections and let the Bill go and be passed as it is.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I rise to support the motion before the House. In doing so, however, I wish to allude to what took place in connection with the opinions that were called for from the Local Governments. Coming as I do from Bombay, I notice that among the papers supplied to the Honourable Members there is a print containing the opinion of the Bombay Government—I refer to Opinion No. 15, Paper No. 8. Referring to the Select Committee's report, however, I do not find at the top any reference to this Paper No. 8 as one having been placed before the Select Committee. Possibly, the Select Committee may have some idea about the opinion of the Bombay Government. But I welcome this Bill inasmuch as it introduces the principle of election in the Boards that are to be constituted under the Bill when it becomes an Act. I gather from the opinion of the Bombay Government that they were not in favour of the introduction of the elective franchise in the Boards to be constituted under the Bill. If the opinion had stood there, I would have had very little to say, but the Bombay Government in advocating, in sticking to, the older procedure which did not admit of elective franchise . . . .

THE HONOURABLE THE PRESIDENT: Do I understand the Honourable Member to say that the opinion of the Bombay Government is embodied in the Bill or that it is not so embodied?

THE HONOURABLE MR. R. P. KARANDIKAR: I shall just come to it in a minute. I was just on this point that the Government of Bombay advocated that the old policy should be followed. Sir, I am not here to support the reasons given by the Government of Bombay for sticking to the old practice. I am happy to find that the present Bill is a departure from the recommendation of the Bombay Government and it is in that sense that I welcome this Bill. The reasons given by the Bombay Government may not interest Honourable Members here inasmuch as the whole Bill has been threshed out in the Assembly. There were fifty amendments—I am not quite sure of the number that were put forward—some of them

[Mr. R. P. Karandikar.]

were accepted, though they were few, and the Bill has emerged from the Lower House and deserves to be accepted in principle. I welcome this Bill in spite of its various defects which perhaps I may have an occasion to allude to as it goes on in its further progress, but it is for the very reason that it introduces the principle of election in a body which belongs to a cantonment, which has not been hitherto looked upon as either India or British India in consequence of the anomalous provisions of the Cantonment Code, that I support the Bill.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): It is very naturally a source of considerable satisfaction to us on this side of the House that Honourable Members who are known to keep a vigilant watch over the rights of the civil population as well as the proprietors of house property in cantonments have given their blessing to the Bill which is now before the House. Only two main criticisms have been addressed in so far as this measure is concerned. One was, if I may venture so to characterise it, of a general description and the other was more particular. The general criticism regarding this measure, which was made by my Honourable friend, Sir Maneckji Dadabhoy, was that the Bill is by no means a perfect one. Well, Sir, perfection is unfortunately not a human attribute, and more particularly in a country where social and political conditions are undergoing changes with lightning rapidity, no legislative enactment can to my mind be devised which critics like my Honourable friend would admit to be perfect. The second criticism fell from the lips of my Honourable friend, Mr. Haroon Jaffer, and it is mainly directed towards that provision in the Bill which provides for exclusion of seditious persons from cantonments. In connection with that clause in the Bill my Honourable friend evinced considerable concern. I propose in the few observations which I am about to offer, to show to the House that there is in reality no cause whatever for such concern. Now, if Honourable Members will turn to clause 239 of the Bill, they will find that what that clause lays down is this:

"If any person in a cantonment causes or attempts to cause or does any act which he knows is likely to cause disloyalty, disaffection or breaches of discipline amongst any portion of His Majesty's forces . . . "

So you will see that the acts which are brought within the purview of this clause are acts the results of which will happen not among the civil population of the cantonment concerned, but among the military forces in the cantonment.

"or is person who, the Commanding Officer of the cantonment has reason to believe, is likely to do any such act . . . "

Again being confined in its results to the military forces present in the cantonment.

"the Commanding Officer of the cantonment may make an order in writing setting forth the reasons for the making of the same and requiring such persons to remove from the cantonment within such time as may be specified in the order."

THE HONOURABLE MR. R. P. KARANDIKAR: Remove to where?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: He will have the fullest liberty of movement throughout India except the limits of the particular cantonment.

"and prohibiting him from re-entering it without the permission in writing of the Commanding Officer of the cantonment:"

You will see, therefore, that the Commanding Officer must in his order set forth his reasons for making the order. That is the first safeguard provided for excluding the possibility of any arbitrary orders of this description being made. Then there is a proviso to this effect:

"Provided that no order shall be made under this section against any person unless he has had a reasonable opportunity of being informed of the grounds on which it is proposed to make the order and of showing cause why the order should not be made."

It will thus be seen that even in so far as the Commanding Officer's action is concerned, it is essential that the Commanding Officer should issue a notice to the person concerned stating his reasons and giving him reasonable opportunity to show cause why such an order should not be made. Well, Sir, assuming that a Commanding Officer is thinking of taking action against any individual resident of the cantonment area under this clause it is clear that he must first give him due notice of that action stating his reasons for that action. He must, further, give him a reasonable opportunity to show cause why such action should not be taken against him.

If, in spite of this, the Commanding Officer thinks fit to make his order absolute, the matter does not stop there. The Commanding Officer must under sub-clause (*3*) of this clause after the making of any order under sub-section (*1*) forthwith send a copy of the same to the Local Government. As soon as he has made that order, he is bound to report to the Local Government that he has made an order of exclusion against the person concerned. After receipt of this report from the Commanding Officer according to sub-clause (*4*).

"the Local Government may, of its own motion and *shall*, '(notice the obligatory character of this sub-clause)' on application made to it in this behalf within one month of the date of the order by the person against whom the order has been made, call upon the District Magistrate to make, after such inquiry as the Local Government may prescribe, a report regarding the justice of the order and the necessity therefor."

Not only the justice but also the necessity therefor.

"At every such inquiry the person against whom the order has been made shall be given an opportunity of being heard in his own defence."

So, this person is first given an opportunity of being heard in his own defence under the first sub-clause of this clause before the Commanding Officer, and if the Commanding Officer, in spite of the cause shown by the person concerned, has made his preliminary order of exclusion absolute against him, he has again a second opportunity of being heard before the District Magistrate and the Local Government. The Local Government shall direct an inquiry to be made by the District Magistrate regarding the justice as well as the necessity of the order that has been made by the Commanding Officer and during that inquiry the person concerned will, as you notice from the language of the clause, have the fullest opportunity of showing cause again. But the matter does not rest there. The Local Government is required under sub-clause (*5*):

"at any time after the receipt of a copy of an order sent under sub-section (*3*), or where a report has been called for under sub-section (*4*), on receipt of that report, if it is of opinion that the order should be varied or rescinded, refer the case to the Governor General in Council, who shall pass such orders thereon as he thinks fit."

THE HONOURABLE MR. HAROON JAFFER: Where will that person be when this inquiry goes on?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Which inquiry? There are two inquiries. Please refer to the particular inquiry in order to enable me to give an answer.

THE HONOURABLE MR. HAROON JAFFER: Will he be excluded from the cantonment?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: It will be obvious to my Honourable friend, if he will cast even a casual glance at the various provisions embodied in this clause, that the person concerned will be within the cantonment boundaries during the first inquiry when notice has been issued to him by the Commanding Officer and he comes forward to show cause. Before the order is made absolute the man will still be within the cantonment. After the order has been passed by the Cantonment Officer he may have to clear out, but within one month from the date of that order he again will have an opportunity of making his representations to the Local Government and the District Magistrate of the district will make inquiries. This man will appear before him and show cause to him why the order should not have been made. It is absolutely immaterial whether during the second inquiry the person concerned is still actually residing within the cantonment area or not so long as he is given this opportunity by the law of appearing before the District Magistrate during the course of the inquiry ordered by the Local Government to show cause against the order and to have the fullest opportunity of showing such cause in his own defence.

(The Honourable Mr. Haroon Jaffer again rose to interrupt.)

THE HONOURABLE THE PRESIDENT: The Honourable Member has already made his speech.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): As a member of the Select Committee that had to deal with this important measure in the Legislative Assembly, I desire to have an opportunity of clearing up some of the misapprehensions underlying the speech of the Honourable Mr. Haroon Jaffer. He has made several points, one of which has been dealt with by the Honourable the Law Member and which I could hardly have dealt with. But there are three other matters, Sir, to which I may well call attention. The first is his complaint regarding the differentiation between cantonments and cantonments and his complaint is that cantonments in the North-West Frontier Province have been denied the privileges of election for the Cantonment Board. The Select Committee carefully went into the matter and, if my Honourable friend had done the Select Committee the honour of reading its Report, he would have found against clause 14 this statement that the Select Committee brought out, namely, that the elective principle has not yet been generally applied in the case of municipalities themselves in that province. If he has any complaints, and I believe the complaints are well-grounded, they ought to be addressed in the first instance to the civil authorities of the North-West Frontier Province to have their municipalities based on elective principles. Therefore, I do not think there is anything in that ground of objection.

The next point that he brought out was with regard to the appointment of executive officers by the Government of India. This was certainly a sore-point and the Select Committee did the very best it could. And here again, if my Honourable friend had looked at the Report of the Select

Committee, he would have found that the Government of India may empower any particular Board to appoint its own executive officer, subject to any condition that the Government of India may think fit. The object of this latter provision is to enable the powers of the Board to be extended to a later date if circumstances render it necessary or desirable to do so. This is frankly a tentative measure, a large experiment, and Government naturally on the advice of the military authorities decided that, where a clear case for delegation of this power to the Board could not be made out, Government for the present would reserve that power. And, so far as the payment of the salary of this officer is concerned, it has been taken over by the Government themselves and is not a charge on the revenues of the Board.

Sir, then there was complaint with regard to the withdrawal of facilities for proceeding with a building, if the military authorities—shall I say with their usual negligence—overlook the application and do not answer for six weeks. Well, we have a clause like that in the municipal law also and the military authorities thought that it ought not to stand because they are, I suppose, a proverbially negligent people. What the Select Committee did was that a month's notice after the application was made and before the expiry of the six months should be insisted upon and, even then if they continue to be negligent, why then there was a clear field. Sir, we have heard of the extension of representative principles regarding the elections on this Board. May I draw my friend's attention to clause 28 where the Select Committee succeeded in getting a very important concession, namely, that those who are subject to military law cannot be qualified for election as a member of the Cantonment Board. That is carrying the principle much further than the Select Committee had hoped to be able to do. Well, they have the right of voting—powers of voting such as the Honourable the Law Member claimed the other day with regard to the votes of free and independent Members on the Governments Benches, when an appeal was made to him to tell them not to vote. The tax-payer has the right of voting and the tax-payer votes here. (*The Honourable Dr. Mian Sir Muhammad Shafi*: "I said as tax-payers.") Quite so, and that is what I am saying. As tax-payers the military people have a right to vote but they cannot stand. That, I think, is an important concession, the counterpart of which does not find place in any other municipal law that I am aware of.

Well, Sir, therefore, from the few matters that I have brought to the notice of this House, the House will see that there is nothing really in the complaints of the Honourable Mr. Haroon Jaffer. And I am at liberty to tell him and this House that the matter was very fully considered by the Select Committee—I am not going to say what happened in the Select Committee because that is not considered good form—but I am at liberty to say that the members of the Select Committee had long and anxious conferences with the representatives of the Cantonment Association, of which my friend is the worthy President, and what they decided upon was to concentrate their attention on the things that mattered and upon those points, I think, those who represented them and the non-official members on the Select Committee had generally their way. I am grateful, Sir, that His Excellency the Commander-in-Chief has informed us that the two very important matters which the Select Committee could not embody in its Report proper, but regarding which they made representations, have been accepted by the Government. Well, the result of it all is that, although we are not going to have a perfect measure, we have a measure which certainly

[Dr. Sir Deva Prasad Sarvadhikary.]

will add to the value of cantonment properties. I quoted an advertisement before, and I shall do it again, free of cost. The advertisement says:

"New Cantonment Bill will put up cantonment property 25 to 50 per cent. Many railway retired men wishing to buy property to stay on as it is cheaper, healthier, and more select than civil lines. All worries removed by this Bill. Safer investment than banking. A few houses can be had if applied for."

I would recommend my friend to apply for a few more houses if he has not already done so. This Bill represents a marked advance upon what we had. I think, Sir, we cannot do better than to express our obligations to His Excellency the Commander-in-Chief, the Honourable Mr. Burdon, and Colonel Palin, who assisted the passage of this Bill in the Indian Legislative Assembly, where, under the agreement which we had arrived at with representatives of the Cantonment Association, amendments on lines that have been suggested to-day were moved in the Assembly, the proceedings covering no less than 49 pages. Every one of those amendments and many more were considered and given the go-by by the good sense of the Assembly, and, therefore, Sir, if I may urge it again, I would ask this House to pass this Bill unamended.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I am gratified at the reception that this Bill has received and I do not know that I can do more than to thank Honourable Members for having expressed their appreciation of the trouble that Mr. Burdon, Colonel Palin and myself have taken for the past year or more in order to get this Bill into harmony with the various requirements of the bodies concerned.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to consolidate and amend the law relating to the administration of cantonments, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Council will proceed to the detailed consideration of the Bill.

Chapter I (clauses 1 and 2) was added to the Bill.

Chapter II (clauses 3 to 9) was added to the Bill.

Chapter III (clauses 10 to 55) was added to the Bill.

Chapter IV (clauses 56 to 59) was added to the Bill.

Chapter V (clauses 60 to 105) was added to the Bill.

THE HONOURABLE THE PRESIDENT: As I observe that there is no desire on the part of Honourable Members to make comments on these clauses, I propose to put the Bill Chapter by Chapter till I come to the clause which I understand is of some interest.

Chapters VI, VII, VIII, IX, X, XI, XII and XIII were added to the Bill.

Clauses 235, 236, 237 and 238 were added to the Bill.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I have considered this clause 239 and from one point of view that has been urged upon the attention of this House it is desirable not to allow our army to be affected by anything that is undesirable. I have tried to discover in this Bill where this individual who is asked to remove has to

go. We have no such measure as repatriation or to ask the man to go back to any particular locality which may or may not be known to the authority directing the withdrawal of the individual. On the analogy of the evacuation of olden days where there was a difficulty in the way of administration,—people considered it most desirable that citizens and others that had to remove themselves from an infected locality should be provided with some residences outside the infected locality where they might go and stay.

THE HONOURABLE SIR MANECKJI DADABHOY: The man ought to go to jail.

THE HONOURABLE MR. R. P. KARANDIKAR: I could not hear my Honourable friend. My point in this case is that the law would be defective, clause 239 would be defective in operation. If it were a matter for the civil population outside the cantonment limits, I would go and advise the civil population outside the cantonment limits not to admit that man within their sphere. Why should a man so rejected and ejected by the cantonment authorities be acceptable to people who live outside the cantonment limits? If he is detestable to the cantonment authorities, he must be looked upon in the same spirit and in the same light by the other people who occupy regions outside the cantonment. Nor is it stated that this is to be limited only to a sojourner who perhaps may come up for the time being and try to interfere with the loyalty of the troops. There may be an occasion to find out where the man comes from. It would be very easy for the Magistrate to direct his steps backwards to the place from where he came. But I do not know that the cantonment authorities have got any influence outside the cantonment limits to regulate the residence or the movements of the man who is so ejected. I accept the situation created by clause 239 apart from the merits or demerits of the proposition whether the cantonment authority should possess a power like that. In actual practice, unless I am satisfied that it is a workable proposition, it would be very difficult for me to vote in favour of it. I have nothing to say with reference to the merits of clause 239. I know that it had been debated upon in the Assembly. The amendments proposed were considered and the clause has emerged in a certain form in which it now appears before us. I yet doubt whether the provisions of Regulation III of 1818 should be reproduced in the form of a small clause like clause 239 without creating a hubbub about it as the application of Regulation III of 1818 might create all through India. It is not a simple measure that is brought forward in this small clause 239. I am not in favour of such a clause like this, which will interfere largely with the liberty of the people. If there is the Indian Penal Code which arms the judiciary of the civil population to deal with offences, I do not know why the cantonment authorities should find themselves unable to put the sections of that Code into operation against any person who commits an infringement thereof. As my Honourable friend has put it, if it is for the intention that a man is to be punished we transgress the fundamental principles of law. Attempts we know are punishable when there is some overt act which I gather from the remarks of the Leader of the House is covered by clause 239. By all means those acts do amount to an attempt under section 511 of the Indian Penal Code. Directly there is an overt act, reach the man under the Penal Code. Exclusion of him from a certain locality is an infliction upon other people. Is it thought that the Penal Code cannot reach this man, or that the Criminal Procedure Code—those debatable sections 108 and others I forget which—cannot be put into

[Mr. R. P. Karandikar.]

operation against this man? (*A Voice*: "124A"). Section 124A might stir up the Government of Bombay or the Government of the Province concerned and the cantonment authorities may not care to ruffle up the quiet of the Provincial and other Governments. I do not know whether section 124A can be put into operation without the sanction of higher authorities, but this section empowers the cantonment authorities without any reference . . . .

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Without any reference to higher authorities?

THE HONOURABLE MR. R. P. KARANDIKAR: The higher authorities contemplated by section 124A. I should be glad to be corrected, but it seems to me that this clause 239 places an extraordinary power in the hands of cantonment authorities, and unless they are controlled by safeguards I should think that it will not be advisable to allow this clause to stand as it is. I am as solicitous as any one else about the regard we must have for the safety of our troops on which the security of India is said to depend. I do not want to trespass upon your time, but Sir, unless I am satisfied that there are safeguards in this clause 239 which will enable a man to find his residence somewhere else—I should have preferred to find his residence in jail—it will be very difficult for me to vote for this clause.

THE HONOURABLE MR. E. BURDON (Army Secretary): Sir, if I have understood my Honourable friend aright, he is really asking for some more drastic provision than that which is included in this particular clause.

THE HONOURABLE MR. R. P. KARANDIKAR: You will find it offensive enough.

THE HONOURABLE MR. E. BURDON: But in any case I shall limit my remarks to explaining what the practical effect of this clause is and what it amounts to in practice. As His Excellency the Commander-in-Chief explained in his observations made earlier to-day, a very much more drastic section than this was in force for many years under section 216 of the Cantonment Code. The severe nature of that section, as it was regarded in certain quarters, attracted a considerable amount of attention two or three years ago, and, as a result of representations received by Government, section 216 of the Cantonment Code was amended in July 1922 after the usual process of publication and inviting opinions from the public. Clause 239 of the Bill is, in fact, section 216 of the Cantonment Code as then amended but with certain further safeguards introduced by the Select Committee which dealt with this Bill in the Legislative Assembly, those safeguards being for the purpose of protecting the liberty of the subject against any undue inroads. Well, Sir, not very long ago, the Government were asked to undertake an investigation to ascertain how section 216 of the Cantonment Code had worked in practice, and the inquiries which we then made had very remarkable results. The total population of cantonments in India is something like three-quarters of a million. Our inquiries extended over a period of seven years, and we found that in those seven years only 27 cases of exclusion on the ground of undesirable political activities had occurred in all the cantonments in India—27 cases in seven years amongst a population of three-quarters of a million. There was a further rather remarkable circumstance which was revealed, namely, that out of those seven years there were four years in which no case at all took

place. All the 27 cases took place in the years 1919-1922, the period which witnessed the rise of the non-co-operation movement and the development of a propaganda which aimed at the subversion of Government. In other words, the section was not used at all except during a period, when, as I think every Honourable Member of this House will agree, the existence of this section was specially necessary. Now, Sir, I have already mentioned that the older and more drastic provision of the Cantonment Code was amended in 1922, and since then the revised section has been in force with considerably more safeguards to the subject than had existed under the old section. I have heard of no case of expulsion or exclusion having taken place since then. My Honourable friend, Dr. Mian Sir Muhammad Shafi has explained to the House in great detail what these safeguards amount to. There is, however, a practical aspect of the matter which I should like to bring to the notice of the House, and it is this. My Honourable friend, the Leader of the House, explained what would happen to the subject, who came within the purview of this clause, from the beginning to the end. But my own belief is that these safeguards are so strong and the complications of procedure are so great, that it is most improbable that any military officer commanding a cantonment will ever put the clause in force at all unless he has an absolutely clear case—a case which is certain to stand the subsequent inquiry by the District Magistrate, the reference to the Local Government and the final reference to the Governor General in Council.

Now, Sir, my Honourable friend took another point. He said, what are we going to do with this very troublesome person who is removed from the cantonment? Is the result not rather unfortunate for the outside world on which he is cast? Well, Sir, it is by this observation, I think, that the Honourable Member asked us to impose a severer penalty than we ourselves contemplate or indeed than we ourselves think to be necessary.

THE HONOURABLE MR. R. P. KARANDIKAR: Why not use the ordinary law?

THE HONOURABLE MR. E. BURDON: The ordinary law has not been sufficient for purely preventive purposes. It is not only in the case of offences described in clause 239 that preventive powers are considered to be necessary. They also exist in the ordinary criminal law of the country. In any event, Sir, to turn again to the practical aspect of the question, in the 27 cases which did occur in the period of four years which I have mentioned there has been no practical difficulty so far as we are aware in the way of the excluded person finding an asylum outside. And, Sir, I should like to draw the Honourable Members' attention to the sixth sub-clause of clause 239 which provides that cases of exclusion and expulsion can be reviewed by the local military authority: and, if the excluded person will only take the trouble to behave himself and not interfere with the troops, he can come back and live in the cantonment. Now, Sir, to reinforce the point of the observation which I have just made, the 27 cases were reviewed by Government at the request of the public. They have been I think reviewed twice, and in the end the majority of the persons who were excluded or at any rate a very large proportion of them have given guarantees for good behaviour. They returned to the cantonments and the order of expulsion against them has been cancelled. I have endeavoured to explain what the practical working of this clause will be. I

[Mr. E. Burdon.]

hope that I have been able to satisfy my Honourable friends that it is not open to serious objection

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: After what my Honourable friend Mr. Burdon has said in reply to the Honourable Mr. Karandikar's criticism relating to this clause, there is one observation I would like to add. What the Honourable Mr. Karandikar wants in effect to do is that action under this section should be supplemented by action under the old Regulation III of 1818 by interning the man somewhere else.

THE HONOURABLE PANDIT SHYAM BIHARI MISRA (United Provinces: Nominated Official): Sir, I thought the Honourable the Law Member had explained all the points connected with this clause 239 in full detail and I did not think that any such necessity of explaining the safeguards further would arise, but as it has arisen I might just as well explain in a few words that the safeguards which have actually been provided in this clause itself appear to me to be perfectly all right and absolutely in conformity with all reasonable expectations. I hope, Sir, that I am not giving out any official secrets if I explain to this House that I am one of those persons against whom I believe—I do not know it for a fact—a warrant for deportation under Regulation III of 1818 was once issued. I happened to be, Sir, a Deputy Superintendent of Police in the Etawah district. One of the Inspectors of Police under myself took it into his head to fabricate a case against me because I had taken certain steps in my official capacity which did not reflect much credit upon that Inspector and he created a regular case. The Superintendent of Police was taken in and he was deceived. The District Magistrate was also taken in and was deceived. A report was sent to Government and I understand, Sir,—I cannot guarantee it—that a regular warrant was issued against me and orders were issued for my arrest and also for that of two or three other individuals in the Etawah district. I even heard that a special train was waiting for me at Tundla. I do not know what would have been my destiny if I had been deported in 1907. Well, what happened was, I understand, that the warrants were made over to Mr. Tretheny, who was then the Inspector General of Police in the United Provinces. He looked at them and he suspected that everything was not all right. He took the papers to Sir John Hewett, the then Lieutenant-Governor . . . .

THE HONOURABLE THE PRESIDENT: I am unwilling to interrupt the Honourable Member in his maiden speech but he must come nearer to the clause.

THE HONOURABLE PANDIT SHYAM BIHARI MISRA: I come to the point that I want to bring out before the House. What I mean to say is that there was in my case only one safeguard; Mr. Tretheny happened to see the papers and he suspected that they were not genuine. He took the papers to the Lieutenant-Governor who also suspected that there was something wrong. He told Mr. Tretheny—this is of course all hearsay and I cannot vouch for it—he told Mr. Tretheny to satisfy himself before arresting these people, and this gave me a chance. I convinced him that it was absolutely a false thing from beginning to end. The papers were forgeries and the tables were turned immediately. Not only this, but a warrant of arrest was issued against the forger who had happened to be mentioned by me by a mere chance. I would not relate the whole

incident, interesting as it is. Of course it is irrelevant to the point at issue before this House. A warrant of arrest was issued against the man and he was criminally prosecuted before a Court of justice and he got 14 years' rigorous imprisonment or transportation. There was one little safeguard in this case. Mr. Tretheny happened to see the papers and he suspected there was a forgery. Instead of one little safeguard, you have here three safeguards. The man will be called upon to explain why he should not be expelled. He will be given an opportunity of explaining his good conduct to the military authorities. If they do not hear him he will be given an opportunity of explaining his good conduct to the District Magistrate and to the Government. Then again under sub-clause (*6*)

"any person who has been excluded from a cantonment by an order made under this section may, at any time after the expiry of one month from the date thereof, apply to the Officer Commanding-in-Chief, the Command, for the rescission of the same,"

and he will have yet another opportunity. I think that the safeguards provided in this clause are quite ample and if the man is really honest and if he has not committed anything which is wrong, he has nothing to fear. As to the other point which my Honourable friend, Mr. Karandikar, has raised, I suppose, Sir, as the Honourable the Law Member has pointed out, he has the whole of India to go to and if he cannot find any place at all where he can be tolerated, then he may be certain that the only place fit for him to live in is the jail. I hope, Sir, that no such real human being will be found who will not be actually tolerated in any place throughout India; so this concern is probably unjustified. I think, Sir, that, in view of all these safeguards, it is quite reasonable for us to pass this clause as it stands.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): I think, Sir, after this interesting debate there might be no necessity for further dilating upon the matter, but the first point which Mr. Karandikar seems to have made was as to why the person who is excluded from the cantonment and therefore prevented from earning his livelihood there should not be maintained by the State during the period of exclusion just as a man who is interned under Regulation III of 1818 is supported during the period of internment; and the second point was as to why, if the man is really objectionable, proceedings should not be taken under the Code of Criminal Procedure or the Indian Penal Code, and why the provisions of this section should be enforced against him.

Now, with regard to the second point, there is nothing to preclude the authorities from proceeding against the person, against whom the provisions of this section might be enforced, under the provisions of the Criminal Procedure Code or the Indian Penal Code, if the case is of sufficient importance as to justify the enforcement of the penal law of the land against the person and if the case warrants such action. Certainly the public outside the cantonments would not be contaminated by the presence of this individual. Therefore, I do not think the Honourable Member need be very anxious on the score that he would be let off if the authorities think that other punishments are more suitable than mere expulsion.

With regard to the first point, namely, as to why, if he is excluded from the cantonment, the State should not maintain him. I take it that the person would not thank the Honourable Member for suggesting the process contemplated by Regulation III because Regulation III of 1818 contemplates

[Sir Narasimha Sarma.]

the internment of the person, at any rate preventing him from roaming about at his own sweet will and pleasure, and having his liberty outside certain limits, whereas here, except within the particular cantonment area, the man has the liberty of earning his living anywhere else, and I think, therefore, the State should not and cannot be expected to pay for his living when the whole world is open to him, and he himself would not thank any Members of this Council for enforcing virtually the provisions of Regulation III of 1818 against him. I think, therefore, Sir, the Honourable Mr. Karandikar will on further consideration see that this is intended only as a preventive measure and is not intended to be utilised as a weapon of oppression, and I do not think he would be well advised in asking the Government to be more severe than the necessities of the case may require.

Clauses 239 and 240 were added to the Bill.

Chapter XV (clauses 241 to 279) was added to the Bill.

Chapter XVI (clauses 280 to 285) was added to the Bill.

Chapter XVII (clauses 286 to 292) was added to the Bill.

Schedules I to VI were added to the Bill.

The Preamble was added to the Bill.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I beg to move:

"That the Bill, as passed by the Legislative Assembly, be now passed."

THE HONOURABLE MR. HAROON JAFFER: Sir, at the introduction of the Bill, I requested the House to pass the Bill in the form in which it was presented for the reason that the people of the cantonments were anxious to have something more responsive to the newly-awakened ideas and aspirations. I am grateful to the House for responding to the wishes of the cantonment people in this matter, and from the floor of this House, I would now make the same earnest appeal to the Government, not to lose any time in bringing the Bill on the Statute-book and in its actual introduction.

Sir, there are still several stages to be gone through, in the actual working of the Act. There are the rules to be framed by the Government of India under clause 280 of the Bill, the drafting of rules of election by Local Governments, circulating the same and giving them a final form, preparing electoral rolls and the holding of actual elections. The cantonment people are anxious to have the elections in April. I can therefore safely count upon the sympathy of His Excellency the Commander-in-Chief and the earnestness of Mr. Burdon for the accomplishment of the little that is left, for I believe nothing would give them greater pleasure than to see the Bill launched forth on its test of being a workable and beneficent measure as quickly as possible.

Sir, having made this request and expressed this hope with all the earnestness I can command, all that is now left for me is to recognise with gratitude on behalf of the people of the cantonments the care and attention which has been bestowed upon the Bill by Mr. Burdon, his capable colleague Colonel Palin and by His Excellency the Commander-in-Chief, whose interest in the welfare of the people of the cantonments is one of the solemn obligations of the exalted office he holds.

For the first time in the history of the administration of this country, the cantonment people have risen in the eyes of the Government to a civic

body of some status, entitled to certain rights and prerogatives of British citizenship. I congratulate Mr. Burdon on the successful passage of the Bill through both the Houses of the Indian Legislature. If we are indebted to Sir Charles Munro for the start given to this Reform, to Mr. Craik for giving it the preliminary shape, to Mr. Renouf for moulding that shape in consonance with popular wishes to a great extent, our thanks are also due in equal measure to Mr. Burdon and Colonel Palin who have put in a large amount of silent and really good intentioned labour in this enactment.

The Bill constitutes a landmark in the history of the cantonments, and it is a matter of sincere gratification that it is associated with the *régime* of His Excellency Lord Rawlinson, whose name will always be remembered by the people of the cantonments with gratitude.

THE HONOURABLE MR. E. BURDON: Sir, I merely wish to acknowledge the very kind remarks which my Honourable friend, Mr. Haroon Jaffer, has made regarding the part which has been played by the Army Department in regard to this Bill. I can say that we are sincerely glad ourselves to see an immediate prospect of the first stage of our labours being brought to a successful conclusion. I thank him once more.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to consolidate and amend the law relating to the administration of cantonments, as passed by the Legislative Assembly, be passed."

The motion was adopted.

ELECTION OF THE PANEL FOR THE STANDING COMMITTEE, DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

12 NOON. THE HONOURABLE SIR NARASIMHA SARMA: (Education, Health and Lands Member): Sir, I move:

"That this Council do proceed to elect in the manner described in the Department of Education, Health and Lands Notification No. 114, dated the 7th February 1924, a panel of 8 members from which the members of the Standing Committee to advise on questions relating to Emigration in the Department of Education, Health and Lands will be nominated."

In May, 1922, a Committee was appointed by the Government of India in the Department of Revenue and Agriculture to deal with questions relating to emigration. The members of the Committee were all nominated by Government. The life of the Committee was fixed at one year. That was before the Notification in the Home Department was issued in August 1922. We could not then, therefore, introduce the elective element, and inasmuch as there was not much work to be done after May 1923 and the life of the Assembly was coming to a close, we did not feel that it was useful to ask for an election in July 1923. The Government of India have resolved that the procedure of the new Emigration Committee should be assimilated as far as possible to that observed in the Government of India, Home Department, Notification referred to above, but it was felt that the number 5 which was fixed for Committees in the Home Department Notification was too small and that a more representative body would be useful. We have therefore resolved that the number should be the same as heretofore obtaining, namely, 14, 12 nominated out of a panel and 2 including myself and the Secretary in the Department. I ask, Sir, that this Motion may be adopted by the House.

THE HONOURABLE THE PRESIDENT: The question is that the following motion be adopted:

"That this Council do proceed to elect in the manner described in the Department of Education, Health and Lands Notification No. 114, dated the 7th February 1924, a panel of 8 members from which the members of the Standing Committee to advise on questions relating to Emigration in the Department of Education, Health and Lands will be nominated."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: I understand I am to fix a date for the receiving of nominations for the election. Would Monday meet the Honourable Member's views?

THE HONOURABLE SIR NARASIMHA SARMA: Yes, Sir.

THE HONOURABLE THE PRESIDENT: Then nominations will be received up till Eleven of the Clock on Monday, the 18th February.

ADVISORY PUBLICITY COMMITTEE.

THE HONOURABLE MR. J. CRERAR: (Home Secretary): Sir, I move:

"That this Council do proceed to elect, in such method as may be approved by the Honourable the President, one member of the Advisory Publicity Committee in place of Sir Purshotamdas Thakurdas who has ceased to be a Member of this Council."

For the information of Honourable Members who have taken their seat in the Council for the first time during the present Session I might perhaps very briefly explain the nature and functions of this Committee. The Committee was first constituted in the year 1921 in order to advise the Government of India on general questions of policy relating to publicity,—on such questions as matters to which publicity could most advantageously and most properly be given, and of the methods by which such publicity should be undertaken. The Committee was also appointed to advise with regard to the expenditure incurred in connection with publicity measures and to assist in the framing of the Budget. Towards the beginning of last year, a Sub-Committee of the Advisory Committee made certain recommendations to the Government of India with regard to the future constitution of the Committee, and, in consideration of those recommendations, the Government of India decided that, in future, the Committee should consist of 15 members, of whom 9 should be elected by the Central Legislature and 6 of whom 3 should be representatives of the press, should be nominated by Government. The Council of State elected 2 members in July of last year, one of whom is fortunately still with us and the second, Sir Purshotamdas Thakurdas, has unfortunately left our precincts for another place. It is to fill the vacancy caused by Sir Purshotamdas Thakurdas's departure from this Council that I ask the House to pass this motion.

THE HONOURABLE THE PRESIDENT: The question is that the following motion be adopted:

"That this Council do proceed to elect, in such method as may be approved by me, one member of the Advisory Publicity Committee in place of Sir Purshotamdas Thakurdas who has ceased to be a Member of this Council."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: As there is only one Member to be elected, the method of election will be the ordinary direct election. There is no difficulty about that. As in the other case, nominations will be received up till 11 o'clock on Monday, the 18th February, and the elections will be held thereafter, if necessary.

ELECTION OF MEMBERS TO STANDING ADVISORY COMMITTEES.

THE HONOURABLE THE PRESIDENT: There is one matter remaining, and that is the election of Members to Standing Advisory Committees. I understand that Secretary has at the table the necessary papers which will be distributed to Members. Members will find perfectly clear instructions as to the manner in which they are to vote as a footnote to each voting paper. Honourable Members will therefore kindly fill up these papers in accordance with the instructions therein contained and deposit them at the table. It will be impossible for the results of the election to be announced to-day because this system requires a certain amount of calculation which has to be worked out. I propose to leave the Chair during the election and Honourable Members will take the ballot papers and fill them and place them at the Secretary's table. The results will be duly announced at the next meeting of the Council, which will be on Monday, the 18th February, at 11 A.M.

(The Honourable the President then vacated the Chair and ballot papers were distributed to Members who proceeded to record their votes.)

The Council then adjourned till Eleven of the Clock on Monday, the 18th February, 1924.

COUNCIL OF STATE.

Monday, the 18th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN:

The Honourable Mr. Arthur Herbert Ley, C.I.E. (Secretary: Department of Industries and Labour.)

QUESTIONS AND ANSWERS.

The Honourable the President called on the Honourable Sardar Jogendra Singh to ask the question standing in his name. (No. 90). The Honourable Member was absent.

THE HONOURABLE SAIYID RAZA ALI: May I, Sir, in the Honourable Member's absence, request that the Honourable the President be pleased to direct, under Standing Order No. 18, that the answer be given?

THE HONOURABLE THE PRESIDENT: Does the Honourable Member's request relate to this question as a special case or is it going to be the general rule?

THE HONOURABLE SAIYID RAZA ALI: I think in view of the importance of the question, it will be in the public interest if the answer is given.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member wish to ask the question.

THE HONOURABLE SAIYID RAZA ALI: Yes, in the absence of the Honourable Sardar Jogendra Singh, I propose to ask the question.

THE HONOURABLE THE PRESIDENT: Certainly.

STANDING COMMITTEES.

90. THE HONOURABLE SAIYID RAZA ALI: In view of the re-election of four Standing Committees to advise various Departments constituted under notification No. F.-49 of the 22nd August 1922, will the Government be pleased to say how often these Committees have been consulted, particularly the Committee attached to the Revenue Department?

THE HONOURABLE MR. J. CRERAR: The number of meetings of the Standing Committees appointed in September 1922 and attached to the

Home, Commerce and Industries, and Education and Health Departments, were, respectively, 3, 2 and 1. No meeting of the Committee attached to the Department of Revenue and Agriculture was held before that Department ceased to exist.

CENTRAL ADVISORY RAILWAY COUNCIL.

91. THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI: Will the Government be pleased to state the reasons for not constituting the Central Advisory Railway Council on the lines recommended by the Acworth Committee?

THE HONOURABLE MR. D. T. CHADWICK: The Honourable Member is referred to paragraph 2 of the Resolution by the Government of India, Railway Department No. 1194-F. of 10th March 1922 published in the Gazette of India, dated 18th March 1922.

CENTRAL ADVISORY RAILWAY COUNCIL.

92. THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI: Will Government make a brief statement showing how many meetings of the Central Advisory Railway Council have so far been held, what questions have been discussed and what recommendations made at these meetings?

THE HONOURABLE MR. D. T. CHADWICK: A statement showing the meetings held and the subjects discussed is laid on the table.

Statement of meetings of Central Railway Advisory Council.

Date of meeting.	Subjects placed before Council.	Recommendation made.
25th March 1922.	State *versus* Company management.	The majority of the Council was in favour of State management.
1st September 1922.	Formation of Local Advisory Committees.	Recommendation as to the Title, Constitution, Scope of duties, and remuneration to members were made.
Ditto	Separation of accounts of Strategic Railways.	That the Railway Capital Budget should show under distinct heads the expenditure proposed for (*a*) Strategic Railways, (*b*) Other Railways. That the list of lines now classed as strategic should be reconsidered and this classification applied only to lines which had been constructed and were still worked mainly for military as distinguished from commercial purposes. That in respect to Revenue Budget the existing procedure should continue.
2nd September 1922.	Branch Line Policy.	That if the State could not finance feeder lines private enterprise should be encouraged. That if Government of India are satisfied any particular feeder line is urgently required the flotation of a Branch Line Company should be considered, subject to the condition that such Company should be domiciled in India, with substantial Indian element on directorate, Capital only to be raised abroad if it cannot be raised in India on reasonable terms.

Statement of meetings of Central Railway Advisory Council—contd.

Date of meeting.	Subjects placed before Council.	Recommendation made.
2nd September 1922.	Separation of Budgets	The Council adhered to the decision already arrived at by the Railway Finance Committee in regard to the separation of the budget. It was considered quite clear that the programme revenue difficulty will remain until a depreciation fund has been instituted. That if a proper depreciation fund is started adequate provision for the service of the fund should be a standing charge against the revenue budget.
4th September 1922.	State *versus* Company management.	By a majority the Council expressed itself as in favour of State management.
4th February 1923.	Separation of Railway Budget.	The proposals put forward by Government were generally discussed but no final decision was asked for at this meeting.
20th July 1923	Technical Education Mr. Cole's Report.	That an officer be placed on special duty to make definite recommendation for training of each class of employé and that negotiation be entered into with— (*a*) Government of Bombay in respect to Sydenham College of Economics. (*b*) Government of Bengal in respect to Bengal Engineering College.
Ditto	Rates Tribunal .	That a Rates Tribunal be constituted with a wholetime President but until sufficient experience is gained to enable Railway Act to be amended the Tribunal should be an investigating body only in regard to certain specified subjects. Further recommendations as to the appointment and functions of the President and Members were also made.
Ditto	Formation of Depreciation Fund.	The matter was discussed but no final recommendation was made
Ditto	Utilization of part of 150 crores programme for new construction.	That in the event of there being any savings after the work of rehabilitation is provided for such saving should be utilised for construction of lines which promise to be remunerative.
Ditto	Proposal to make travelling without a ticket a cognisable offence.	That all other possibilities should be tried before this method was adopted and that further experience should be gained of systems now under trial on North-Western Railway, Oudh and Rohilkhand Railway and other railways.

Railway Advisory Committees.

93. The Honourable Maharaja SHOSHI KANTA ACHARYYA CHAUDHURI: (*a*) How many local Railway Advisory Councils have been constituted and in connection with what Railways and with what headquarters, and what questions are generally dealt with by them?

(*b*) In what respects does the constitution of each of these Councils differ from that recommended by the Acworth Committee and for what reasons?

THE HONOURABLE MR. D. T. CHADWICK: Local Advisory Committees have been formed at the headquarters of all the principal railways with the exception of the B. B. & C. I., G. I. P., and B. N. Railways on which they are in course of formation. The B. & N. W. Railway has in addition formed a committee at Muzaffarpur and the N. W. Railway another at Karachi. The description of questions generally dealt with by these Committees are as follows:—

(1) alterations in time tables and passenger services;

(2) alterations of rates and fares and changes of goods classifications;

(3) proposals in regard to new projects and extensions;

(4) proposals in regard to new rolling stock; and

(5) any matters affecting the general public interest or convenience.

In the constitution of these committees the recommendations of the Acworth Committee have not been departed from.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Does the financial question come before any of these Committees in any shape?

THE HONOURABLE MR. D. T. CHADWICK: I do not know what the Honourable Member means by financial questions. It opens up a wide question. The advisability of the different various proposals are discussed freely between the Railways and the Advisory Committees.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Even as regards the financial aspect of these questions?

THE HONOURABLE MR. D. T. CHADWICK: The Railway administration will certainly say that they cannot afford to give some facility if they do not see their way to do so. It is all open to discussion.

AMENDMENT OF THE INDIAN RAILWAYS ACT.

94. THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI: With reference to the opinion of the Acworth Committee that the Indian Railways Act requires extensive revision (*vide* paragraph 157 of the Report), what action is proposed to be taken by Government?

THE HONOURABLE MR. D. T. CHADWICK: Government are formulating proposals for the establishment of a Rates Tribunal. When the Tribunal has been established, the suggestion of the Acworth Committee in regard to amending the Indian Railways Act will be considered.

RECOMMENDATIONS OF THE RAILWAY RISK NOTES COMMITTEE.

95. THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI: What action has been taken on the recommendations of the Railway Risk Notes Committee?

THE HONOURABLE MR. D. T. CHADWICK: The forms have been revised by the Government's legal advisers in accordance with the recommendations of the Committee and steps are being taken to introduce them.

Railway Extensions in Bengal.

96. The Honourable Maharaja SHOSHI KANTA ACHARYYA CHAUDHURI: What progress has been made in the different pending schemes of railway extension in Bengal?

The Honourable Mr. D. T. CHADWICK: There are upwards of fifty lines of railway projected in Bengal, and it is not possible to give the information desired by the Honourable Member in respect of all these projects without an expenditure of time and labour that would involve much work.

If the Honourable Member will specify any particular projects about which he requires such information, Government will be glad to furnish it.

Amendment of the Income-tax Act.

97. The Honourable Maharaja SHOSHI KANTA ACHARYYA CHAUDHURI: (*a*) Has the attention of Government been drawn to the judgment of the Calcutta High Court in the reference made by the Commissioner of Income-tax, Assam, under Section 66, sub-section (2), of the Income-tax Act, in Raja Prabhat Chandra Barua *versus* The King Emperor?

(*b*) Is it a fact that Mr. Justice Rankin and Mr. Justice Page delivered dissentient judgments in the said reference case?

(*c*) Has the attention of Government been particularly drawn to the observation made by Mr. Justice Page that no new or additional public demand or assessment to taxation could lawfully be made upon lands which formed part of a permanently settled estate, and that any such demand was wholly illegal and invalid?

(*d*) Has the Government any intention to amend the Income-tax Act so as to give full effect to the above contention of Mr. Justice Page and remove all doubts in the matter?

The Honourable Mr. A. C. McWATTERS: The Government have read the newspaper report of the case. The Government see no necessity to amend the Income-tax Act in the direction suggested by the Honourable Member. They will, however, consider in due course what action should be taken in view of the fact that there is a conflict between the decisions of the High Courts on the subject in question.

Surplus Officers in the Army.

98. The Honourable Lala RAM SARAN DAS: Will the Government be pleased to state—

(*a*) the numbers separately of temporary and permanent British officers of each rank of the Army in India, declared surplus up to 31st December 1923 after the termination of the great war;

(*b*) the total amount thus paid under each of the heads of gratuity and annual pensions;

(*c*) average sum paid per head to British officers of each rank; and

(*d*) whether any portion of this large sum has been borne by the British Exchequer; if not, do the Government intend to approach the War Office to contribute a reasonable share, as the augmentation of British officers was principally due to the war in Europe?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) The number of permanent officers of the Indian Army declared surplus to requirements after the termination of the great war is as follows:—

Lieutenant-Colonels	Nil.
Majors	24
Captains	1,226
Lieutenants	787
2nd Lieutenants	5

It is impracticable to give the information required in respect of the temporary officers employed during the war and demobilised in normal course after it ended.

(*b*) The total amount paid in India on account of gratuities to permanent officers of the Indian Army declared surplus to post-war requirements is as follows:—

During 1922-23	Rs. 51,27,104
From the 1st April 1923 up to the 31st December 1923	,, 11,37,921

In addition, payments on account of gratuities and allowances have been made in England to the following extent:—

During 1922-23	Rs. 69,39,748
From the 1st April 1923 to the 30th November 1923	,, 57,42,045

A few surplus cavalry officers of relatively senior rank were granted additional pensions or gratuities in lieu, at their option, but no separate account has been kept of these payments.

(*c*) To calculate the average would necessitate a special compilation, to undertake which, in the opinion of the Government, would not be justified. The scale of gratuities applied to each category of permanent officers declared surplus is shown in the Army Instructions (India) Nos. 500 and 661 of 1922.

(*d*) A representation in the sense suggested by the Honourable Member's question has already been made to His Majesty's Government and the matter is still under the consideration between the Secretary of State and the War Office.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Are there any officers or men who are still to be discharged under the scheme?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Speaking from memory, I think the answer is in the negative. But to make certain I should like to refer this point for confirmation.

RAILWAYS IN THE N.-W. F. PROVINCE, BALUCHISTAN AND THE BORDER COUNTRY.

99. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state:—

(*a*) the total outlay since 1854 on Railways in the areas called the North-West Frontier Province, Baluchistan and any of the areas in the border country and across it;

(*b*) what was the gross revenue from the working of these railways during 1922-23;

(*c*) what was the net revenue from the same and what percentage it bore to the total outlay; and

(*d*) why are deficits on account of the working of such railways not included under the heading of Military Expenditure in the General Budget?

THE HONOURABLE MR. D. T. CHADWICK: (*a*), (*b*) and (*c*). The information asked for by the Honourable Member is not available separately for the sections of the North Western Railway detailed by him, but a statement is placed on the table giving this information for certain sections of the railway in Baluchistan, the North-West Frontier Province and the north of the Punjab.

(*d*). The attention of the Honourable Member is invited to the discussion that took place in this Council on a Resolution on a similar subject moved by the Honourable Lala Ram Saran Das on 13th February 1922.

As a result of that discussion, the whole question was considered in consultation with the Central Advisory Council. On the advice of that Council it was decided that it would be sufficient to show separately the accounts for the Military and the Commercial sections of the N. W. Railway. This is now being done and for the present, at any rate, the Government do not propose to do anything more.

Statement showing the capital outlay, gross earnings, net earnings and percentage of net earnings on total capital outlay of the railways in the North-West Frontier Province and Baluchistan.

Railway.	Total capital outlay from commencement of operations to 31st March 1923.	Gross earnings for 1922-23.	Net earnings for 1922-23.	Percentage of net earnings on total capital outlay.
	Rs.	Rs.	Rs.	
Sind-Pishin Section and Nushki Extension	15,74,71,720	60,49,544	—56,46,632	—3·59
Nowshera Durgai	45,63,635	3,46,565	—3,15,201	—6·91
Kalabagh Bannu	1,51,13,078	13,98,936	—10,51,711	—6·96
Tank Kaur Khirgi	33,17,595	80,200	—1,74,699	—5·27
Khanai Hindubagh	34,38,205	57,986	—81,763	—2·38
Kohat Thal	44,33,595	2,22,903	—3,05,202	—6·88
TOTAL .	18,83,37,828	81,56,134	—75,75,208	—4·02
Sind Sager	6,09,17,226	87,69,097	—1,84,144	—0·30

ELECTION OF PANELS FOR STANDING COMMITTEES.

THE HONOURABLE THE PRESIDENT: The results of the elections held on Thursday are as follows:—

The Members of the panel from which the Members of the Standing Committee to advise on subjects in the Home Department will be nominated are as follows:

The Honourable Colonel Nawab Sir Umar Hayat Khan.

The Honourable Mr. Phiroze C. Sethna.

The Honourable Sir Maneckji Dadabhoy.

The Honourable Sir Zulfiqar Ali Khan.

The Honourable Dr. Sir Deva Prasad Sarvadhikary.

The Honourable Mr. Lalubhai Samaldas.

The Members of the panel from which the Members of the Standing Committee to advise on subjects in the Commerce Department will be nominated are as follows:

The Honourable Sir Maneckji Dadabhoy.

The Honourable Haji Chaudhuri Muhammad Ismail Khan.

The Honourable Mr. Phiroze C. Sethna.

The Honourable Sir Arthur Froom.

The Honourable Lala Ram Saran Das.

The Honourable Mr. Lalubhai Samaldas.

The Members of the panel from which the Members of the Standing Committee to advise on subjects in the Department of Education, Health and Lands will be nominated are as follows:

The Honourable Saiyid Raza Ali.

The Honourable Dr. Sir Deva Prasad Sarvadhikary.

The Honourable Mr. Lalubhai Samaldas.

The Honourable Sardar Jogendra Singh.

The Honourable Maharaja Shoshi Kanta Acharyya Chaudhuri of Muktagacha.

The Honourable Lala Sukhbir Sinha.

The Members of the panel from which the Members of the Standing Committee to advise on subjects in the Department of Industries and Labour will be nominated are as follows:

The Honourable Sir Maneckji Dadabhoy.

The Honourable Mr. Phiroze C. Sethna.

The Honourable Sir Arthur Froom.

The Honourable Sir Dinshaw Wacha.

The Honourable Saiyid Raza Ali.

The Honourable Dr. Sir Deva Prasad Sarvadhikary.

ELECTION OF MEMBERS FOR THE EMIGRATION COMMITTEE.

THE HONOURABLE THE PRESIDENT: I fixed to-day as the last day for the receipt of nominations for the election of the Members for the Emigration Committee. Only 5 names will be received. I propose to extend the period of nomination till next Thursday.

ADVISORY PUBLICITY COMMITTEE.

THE HONOURABLE THE PRESIDENT: For the Publicity Committee there have been two nominations. The election might be held, I think, after to-day's Council. The nominations are:

The Honourable Mr. G. A. A. A. Natesan, and the Honourable Sir Deva Prasad Sarvadhikary.

As there are only two candidates Honourable Members will merely have to make their mark against the name of the candidate whom they prefer.

THE HONOURABLE DR. SIR DEVA PRASAD SAVADHIKARY (West Bengal: Non-Muhammadan): May I be permitted to withdraw?

THE HONOURABLE THE PRESIDENT: In that case an election will not be necessary. I declare the Honourable Mr. Natesan duly elected.

VISIT OF MEMBERS TO THE LEGISLATIVE BUILDINGS AT RAISINA.

THE HONOURABLE THE PRESIDENT: Honourable Members will remember that I mentioned to the Council that the Architect of the building for the Legislature in New Delhi would be glad to show Members round if a time could be arranged. Some Honourable Members have given intimation to the Secretary of their desire to see the building, and it has been arranged that he will meet them at 5 o'clock to-morrow.

THE HONOURABLE SIR ARTHUR FROOM: 5 o'clock in the afternoon?

THE HONOURABLE THE PRESIDENT: Yes; not in the morning! It occurs to me that there may be other members who have not given their names. I am sure if they also go they will be welcomed.

UNVEILING OF THE WAR MEMORIAL AT RAISINA.

THE HONOURABLE THE PRESIDENT: There is one other matter. General Sir Harry Watson has written me a letter informing me that His Excellency the Viceroy has kindly consented to perform the ceremony of unveiling the War Memorial erected at Raisina, to the memory of the fallen, of the 15th Cavalry Brigade. The ceremony will take place at 4 p.m., on the 6th March next and he invites the Members of the Council of State to be present. I am sure the House will appreciate this. Those Members who desire to be present at this interesting ceremony will kindly hand in their names to the Secretary and seats will be provided for them.

RESOLUTION *RE* AMALGAMATION OF THE IMPERIAL AND PROVINCIAL BRANCHES OF THE FOREST SERVICE.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): As it is considered desirable that the discussion on this Resolution* might be postponed until after the publication of the Lee Commission's Report, I request the permission of the House through you, Sir, to allow me to withdraw the Resolution.

THE HONOURABLE THE PRESIDENT: The Honourable Member has not moved the Resolution and he cannot therefore ask leave to withdraw it.

THE HONOURABLE MR. PHIROZE C. SETHNA: I do not desire in those circumstances to move it.

RESOLUTION *RE* SUBSTITUTION OF A PROVIDENT FUND FOR THE EXISTING PENSION SYSTEM.

THE HONOURABLE MR. S. VEDAMURTI (Burma: General): Sir, I beg to move that:

"This Council recommends to the Governor General in Council that a scheme of granting Provident Fund, on the Railway system or some such analogous system, be substituted as far as possible, for the existing Pension system for Government employees, gazetted and non-gazetted, under the Government of India and the Provincial Governments and Administrations."

I feel, Sir, that my Resolution is intended to mark a new departure from the system that has perhaps existed since the days of the East India Company. The system that is in force to-day is to grant full pensions to officers who have done 25 years' qualifying service on production of a medical certificate, and to others on the completion of 30 years' qualifying service or on attaining the age of 55, unless they are removed for misconduct, insolvency or inefficiency. The pension is calculated on the average pay drawn during the last three years of service subject to a maximum of Rs. 500 a month. There was a time, Sir, when Government service was sought after, apart from the security of tenure, in the hope of attaining pension at the end of the service. But to-day the system of Pension has lost much of its attractions owing to a variety of causes. What with the sedentary life that is being led by Government servants, what with the high cost of living, what with epidemics such as cholera, plague and influenza, and what with the increasing stress and strain inseparable from work under modern conditions, there are cases of premature deaths among Government servants which are immensely more numerous than formerly, and the families of those Government servants are rendered helpless. Cases have come under my observation, and I daresay that many Honourable Members of this House may have had their attention drawn also to such cases, in which such families have been thrown into the poorest of circumstances. I shall not quote many instances from the Provinces, but I shall quote three instances nearer home. One Gouri Prasad, a clerk in the Post Office, Delhi, who had put in 25 years' service, died in 1921. He was drawing Rs. 120 a month. His family is very poor to-day. There is

* "This Council recommends to the Governor General in Council that the Imperial and Provincial branches of the Forest Service be amalgamated as has been done in the case of the Imperial and Provincial branches of the Engineering Service."

another instance of Lakhshmi Narayan, who was also a clerk in the Post Office, Delhi, who had put in 23 years' service and who died in 1922. But, thank God, his family is not poor because there was some ancestral property. There is another instance of one Bishambar Sarup, who was Sub-Postmaster at Delhi,, and who had put in 28 years' service, but on the eve of retirement he died. The fact is, Sir, that his friends had to contribute for his funeral. My impression, Sir, is that people know how to live but very few know how to die. They do not make any provision for their families in the event of their death. If statistics could be compiled as to the number of persons who earn pensions after 30 years' service, it will no doubt be found that very few live to enjoy a pension for more than five years after retirement. According to one calculation the average expectation of life is growing less and less when compared with the expectation of life, not only in other countries such as England, but also in the India of former days. Here is an extract from an article " Poverty and Waste in India " by Rai Bahadur Sardar M. V. Kibe in the *Hindustan Review* for October 1923. He says:—

" What a waste of life takes place in India. While in ancient times in India the maximum period of human life was fixed at 120 years and the average expectation of life was not below a hundred, in some of the other countries the maximum did not extend beyond four score and ten years. But now the tables have been completely turned. The Indian expectation of duration of life at birth is 22·59 for males and 22·31 for females, as compared with the expectation of life in England of 46.4 and 50.02 years, respectively. Worse is the case in cities. In some of them it falls as low as 16 years. It is feared that the duration of the life of an Indian is becoming progressively shortened."

I believe that the Government are alive to the high rate of mortality that prevails among Government servants and to the fact that these people have not been able to make any savings for the families they leave behind. No doubt the Government have instituted the Postal Insurance system for all Government servants and the General Provident Fund which is optional for Indians, but which is compulsory for Anglo-Indians and Europeans. In this latter case the Government do not add any contribution of their own except by paying interest on the amount credited to a subscriber. There is also a provision for the grant of pension for the families of deceased Government servants but this is given under very extraordinary circumstances. Such circumstances are, according to the wording of the Civil Service Regulations, " cases where the servant shall have been killed in the exercise of his public duty or shall have died in consequence of wounds or accidents sustained therein." Most of us will remember the unfortunate case of Mr. Amritalal Roy, the Postmaster of Sankaritola. It is only in such exceptional cases that the Government grant a pension to the family of a deceased officer. Again, there is what is known as the Compassionate Fund provided for in Article 354 of the Civil Service Regulations. It is said—

" It being the duty of every Government officer himself to provide for his family the Government recognizes no claim by a widow on account of the services of her husband and is almost invariably under the painful necessity of rejecting recommendations made in contravention of this rule. The submission of such recommendations, save under extraordinary circumstances, is disapproved as calculated only to give rise to hopes which cannot be fulfilled."

In spite of this article, I dare say that the Honourable Mr. McWatters will bear me out when I say that the Finance Department is being pestered with applications from widows and children for gratuities from this Compassionate Fund on account of the services rendered by the wage earners. What I should impress upon the Government is that, in view of the altered conditions, Government servants would to-day prefer the Provident Fund

[Mr. S. Vedamurti.]

System to the Pension System. It was I think in the case of Sir Michael O'Dwyer that the Government said that pension is deferred pay.

I do not think that Mr. McWatters is going to maintain that what is sauce for the goose is not sauce for the gander. If a pension is deferred pay, it means in simple language that a portion of a man's salary is kept back, whether he is conscious of it or not, to be paid at the time of his retirement. If that is so, I ask the Government what right have they to withhold it from the family of a Government officer when he dies before he earns his pension? My impression, Sir, is that Government is keeping back the man's deferred pay equal at least to a certain percentage of his salary. If the analogy of Foreign Service is taken into consideration, the Government, when they lend their officers to Foreign Service, demand from the Government to whom such services are lent one-sixth of the officer's salary and in some cases one-eighth for his pension.

In case a Provident Fund system is instituted, the families of the deceased Government servants will get a lump sum at the end of the service, and in cases of death they will receive it earlier, when a lump sum will be a great relief to such families. What I propose to substitute for pension is a Provident Fund system such as that which obtains to-day in the Railways. Let it be remembered that the Railway Provident Fund is in lieu of pension. Under the Railway system the officer pays one-twelfth of his salary to the Provident Fund. The Railways contribute one-twelfth of that salary, that is, an equal amount, and compound interest is reckoned at the rate of 5½ per cent. According to the Railway Administration Report of 1921-22, out of a total of 7,53,472 railway employés, leaving out the menials who are the daily wage-earners, there are 1,82,729 officers and men who are depositors in the Railway Provident Fund. The Railways grant their officers a gratuity at the end of the service *plus* the Provident Fund contributed by the Railways and by the officers, with the accumulated interest. I maintain that that system should be substituted instead of pension. I anticipate, Sir, a serious difficulty may be felt by the Government in the case of those who are now in service, presuming of course that the Government accept the principle of substituting a Provident Fund system for pension. I would suggest to them two alternative courses. The Government have already accepted the principle of commutation. At present commutation is allowed to the extent of one-third of the man's pension, which can be claimed as a matter of right for the All-India Services, but in the case of the other Services, it is hedged in by conditions, such as reasons to be shown why such commutation is necessary. Even here the commuted value was larger when the Government rate of interest was 3½ per cent., but is lower now when the Government rate of interests is 5½ per cent. My idea is that it will be 20 per cent less. As the principle of commutation has been accepted by the Government, I ask them to commute the pension that an officer would get to-day if he retires from service, place that amount to his credit in the Provident Fund and start the Provident Fund system as in the Railways from now onwards. This is one course.

The other course that I would suggest is this; that, if an officer does not want to choose the first course, and if he wants to continue under the Pension system, but if he dies before earning the pension, his family should be given half the commuted value of his pension which he would not now be able to claim. I do not understand, Sir, why the status of Government servants should be made less attractive than that of the Railway staff;

in cases of death even on the eve of retirement of a Government officer, his family gets absolutely nothing. In my opinion, in cases of people who live longer than a certain period which is calculated by the Government, they are paid pensions from those who die earlier without earning the pension. This seems to me to be an anomaly, and the only way of removing it lies in instituting a Provident Fund system instead of pension. There is a Family Pension Fund for the Indian Civil Service officers and military officers to which all these officers contribute and out of which the families of these officers are obtaining a pension. Again, in the absence of such a system for the other services, the institution of a Provident Fund is the only means of saving their families from distress and ruin. Sir, from the time I tabled this Resolution I have been receiving communications from individuals and from different Associations accepting the principle and congratulating me for moving this Resolution. Several such testimonials have been received, but I will not tire the House by reading many of them. One typical case comes from the Executive Committee of the Military Accounts Service Association, Poona, which is a recognized body of gazetted and non-gazetted members of the Military Accounts Department. The Secretary of that Associations says:

"My Association is in favour of your beneficent proposal the importance of which it is hoped will be brought home by you to the Honourable Members of the Council and Government."

What I should like the Government to do is to accept the principle that the time has come for the institution of a Provident Fund system instead of pension. The demand seems to me to be real, and it is genuine and it is urgent, and I should like the Government to accept the principle at any rate, and I shall leave the methods of working it out either to the Actuary or to the Government themselves.

THE HONOURABLE MR. A. C. MCWATTERS (Finance Secretary): Sir, I think it will be convenient to the House if I rise at this early stage in the debate to make clear what the Government's attitude is on this Resolution. It is not one of opposition. But I regret to say that we cannot accept the Resolution exactly in the form in which it has been moved. The Honourable Mr. Vedamurti asks this House to recommend to Government definitely to accept a contributory provident fund system in place of pension. The Resolution is one that deals with a very technical and intricate subject; it is one which, if accepted by the House and given effect to, would alter the conditions of service of the great majority of Government servants in this country, and it involves financial considerations of the greatest importance to the Central Government and to the Local Governments. There are three parties affected—the Government officers themselves, the Central Government and the Local Governments, and none of these so far have had an adequate opportunity to consider any concrete scheme and to give their opinions upon it. The Honourable Mover has mentioned that he has received communications from various Associations and others supporting the principle of his Resolution. I have seen other opinions, and the majority of these are non-committal until they can have a concrete scheme before them, and that I think is a very natural attitude for them to take. Therefore, the attitude of Government is that the right course for this House would be to ask Government to consider the practicability of a scheme before definitely pronouncing in favour of it.

I may say that there is no question of principle in issue between the Honourable Mover of the Resolution and myself. The Honourable Mover

[Mr. A. C. McWatters.]

has referred to pension as being deferred pay. That is, for certain purposes, a convenient method of expression. I should prefer to say that a contributory provident fund and a pension are simply alternatives which are more or less equivalent. Government have already recognised the principle of contributory provident funds. Since the year 1904 they have extended contributory provident fund terms to large numbers of their officers, especially those recruited on special terms of contract, and various minor services. I have here a complete list of the various officers and services to whom contributory provident fund terms have been extended. It covers 13 pages of print, that is of course in addition to the Railway provident fund to which the Honourable Mover has referred. I would add that the Government have had under consideration and have already forwarded to the Secretary of State a body of rules, which it is proposed to call the Contributory Provident Fund Rules, which will, it is hoped, introduce uniformity into these various isolated contributory provident funds, and will give the Central Government and Local Governments increased powers to grant contributory provident fund terms and to require subscriptions to such funds. But the fact remains that for the great mass of Government officers the present system is a pension system, coupled in most cases with subscription to the General Provident Fund to which Government does not contribute directly but pays the money subscribed back with compound interest, at present at 5½ per cent. There is, therefore, a large body of officers who would directly be affected by any change and they have a right to be consulted, as also have the Central Government and the Local Governments who have to find the funds. It is not a question of principle. It is a question of practical advantage to Government and to its servants.

I admit that there are some obvious advantages in a contributory provident fund system, and the Honourable Mover was quite right in calling attention to them. It does in particular provide for the families of those who die before they reach pensionary age. But I would ask the House to bear in mind, on the other hand, one or two considerations. The first and most important is this, that, if a contributory provident fund is substituted for pension, and if, as we must assume, the total liability to Government is not to be increased, the benefits which would be enjoyed by those who reach pensionary age will be less under the contributory provident fund system. We have had calculations made recently for one large service for a long period of years and we have ascertained that only 75 per cent. of that service drew pension; the other 25 per cent. either died first or retired in circumstances under which they were not entitled to pension under the existing rules.

THE HONOURABLE MR. S. VEDAMURTI: Is that a European service?

THE HONOURABLE MR. A. C. MCWATTERS: Yes. I do not know how far the same proportion applies to other services. It may be even greater in the case of the Indian services but that only makes my point stronger. If you have to distribute the amounts which are now enjoyed by the 75 per cent. over a 100 per cent. of any service, it stands to reason that those who would otherwise enjoy pension will be worse off, and everyone naturally hopes that he may be one of those who will obtain a pension.

THE HONOURABLE SIR MANECKJI DADABHOY: Could not a system of option be given?

THE HONOURABLE MR. A. C. McWATTERS: I will deal with the question of option later. But the point I am enforcing indicates why members of the services are naturally unwilling to express a definite opinion until a concrete scheme is put before them and until they can see whether they will be worse off under a contributory provident fund system than under the present pension system. A second point is this, that once an officer has received the benefits of a contributory provident fund, he has no further claim on Government. He may be rash or unlucky in the investment of the money and he and his family may become destitute. It must always be a matter of grave concern to Government when any of their ex-servants fall into destitution. The pension system, at any rate, does something to prevent this. These are merely two arguments on the other side, but it may be possible, as I see suggested in an amendment later on the paper, to combine the two systems, the contributory provident fund and pension systems, and a solution on those lines at any rate deserves examination.

These are general considerations which apply whether the system is extended only to new entrants or not, but I must warn the House that, if it is proposed to make this change apply to existing members of the services, the question is much more difficult. Government cannot alter the terms of service of their officers without giving an option and it stands to reason that every member of the services will elect the option which is, or which he thinks will be, more for his own financial advantage. It is therefore probable that, if the system is extended to existing members of the services, there would be an additional financial liability to Government, and of the two alternatives which the Honourable Mover mentioned, one at least in which an officer's family would get half the accumulated value of pension earned, would certainly involve an additional liability to Government. I have here details of two services which will show the sort of difficulty that arises. One commences on Rs. 300 a month and rises to Rs. 2,150. The maximum ordinary retiring pension is Rs. 500 per month. The other begins on Rs. 250 and rises only to Rs. 1,000. The maximum ordinary retiring pension is also Rs. 500 per month. Now, if a contributory provident fund system is substituted, and if the subscriptions are, as is usual in such cases, a percentage of the officer's pay, and if Government's additional contribution is a further percentage of the subscriber's contribution, it stands to reason that the service on the higher scale of pay will gain more from a contributory provident fund system than the service on the lower scale, and yet their maximum pension is the same. I think, therefore, it is probable that the members of one service would be more inclined to choose a contributory provident fund, while the other service, or those at least who think they are likely to reach the ordinary maximum retiring pension, would prefer to remain on the pension system. That is why it is probable that, unless some particularly subtle scheme can be devised, there must be an increased liability to Government if the system is extended to existing members of the service.

The matter is not really a simple one; it is immensely complicated. In order to ascertain whether a contributory provident fund scheme or a pension scheme will cost more to Government, we require to know for any particular service among other things, the average age on entry and on retirement, the salary on joining and rate of promotion, the casualty rate and the average pension earned, and we must forecast the rate of interest for long periods in advance, which is a very important point. Government

[Mr. A. C. McWatters.]

have made such calculations. I have here a calculation which has been made in respect of one important service, and which has been placed before the Public Services Commission. It runs to 27 pages of print and 10 pages of Appendices. I do not propose to read it to the House. This calculation has been prepared with the best actuarial assistance, and it shows the immense difficulty and complication which is involved in a matter of this kind. These calculations, as I say, have been placed before the Public Services Commission and the Commission has in fact included in its questionnaire this very important question of the relative merits of the Provident Fund and pension systems. Therefore, I think this House will be well advised to await the opinion of the Public Services Commission before definitely pronouncing in favour of one system rather than the other.

This is the reason why I placed on the paper an amendment, the main point of which was that the House should ask the Government to consider "the practicability of substituting" rather than pronounce definitely in favour, of one scheme rather than the other without a concrete scheme before them. I do not propose to ask leave for the present to move this amendment, because I see on the paper another amendment which embodies the main point of my amendment but which in other respects is, I think, an improvement on mine, as it recognises the possibility of a combination of schemes, and therefore, for the present, I do not ask for permission to move my amendment, but I shall do so in case the second amendment is not moved.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, I beg to move that in place of the words:

"that a scheme of granting Provident Fund on the Railway system or some such analogous system, be substituted as far as possible"

the following words be substituted, namely:

"to consider the practicability of substituting either wholly, or in moiety, or in such proportion as may be found desirable, a scheme on a contributory Provident Fund basis."

Then the whole Resolution taken together would read like this:

"This Council recommends to the Governor General in Council to consider the practicability of substituting, either wholly, or in moiety, or in such proportion as may be found desirable, a scheme on a contributory Provident Fund basis, for the existing Pension system for Government employees, gazetted and non-gazetted, under the Government of India and the Provincial Governments and Administrations."

My work in moving this amendment has been considerably lightened by the circumstance that Government have kindly decided not to oppose the principle that is sought to be introduced by this Resolution. Also in a manner it has been indicated that my amendment will not meet with very serious opposition because all I propose to do is to combine the advantages of the Pension system and the Provident Fund system. My idea has all along been that in a number of cases people who serve very nearly the necessary period for earning a pension die suddenly. Their families get nothing and they come to grief and there is a great deal of trouble. I have also seen that many people—or at least a large number of people—who earn their pension retire from very honourable positions and, being ignorant of either the conditions of agriculture or being ignorant of trade

or more especially the speculative part of it, when they embark on one of these schemes they lose everything and consequently come to great grief and it is a great pity to see them wandering about in that way. That is what induced me to see if these two systems of pension and provident fund could not be combined. My idea was, my ideal of it would be, that a person who has served for the necessary period and has earned his pension may have the option of three things. He may either say: " Give me so much pension and the rest of it in the shape of Provident Fund, so that when I go back to my village or to my town I shall have my pension which will save me from starvation and with the rest of the money I shall make experiments to see whether I can succeed as an agriculturist or I can try my fortune on the Exchange or in some other occupation. If he is fortunate, all the better for him. In that case he will have his pension and what he has got by his exertions. If, however, he fails in his business, all the same there is enough money coming to him in the shape of pension to keep him alive. It is, in fact, a kind of system which I saw in my younger days when I learnt to swim. That system was that a rope was put round a man's waist and he was allowed to go into the water as far as he was safe and he was drawn out by the rope if he began to go under. The modern condition is that they have a life-saving apparatus, and the man swims about. Sometimes it does happen that the man is carried away by the wave and you find the difficulty. This speculative business is of that nature. I wish therefore to bring you back to our old system by which the retiring man may be able to say: " Instead of giving me full pension give me half of that pension and a certain sum which I have contributed on the system of paying one anna and the Government putting in one anna so that I may make experiments and try my luck in other directions." People who serve are after all human beings. They have their dreams and favourite pursuits. Probably in their younger days they thought of becoming merchants but they got into service under certain circumstances. At the end of their lives that desire returns and they want to become merchants and then they lose. Sometimes they try in some other ways and there also they lose. It is to save them from this calamity that I have proposed that they should be able to say that half of their pension may be given to them and the other half may be given in the shape of Provident Fund or in some other form so that there may be a provision against starvation, and also there will be room enough to employ their remaining energies in other directions. At the age of 56 people have enough energy left to try their hands at something or the other. They can do something and it is on account of this that they often come to grief. My idea is that everybody should have a choice as to whether he will have the whole of his pension and nothing more, or whether he will have the whole of his gratuity or provident fund and nothing more, or whether he will have half of his pension and as much provident fund as he is entitled to. In case it happens that it is not possible to reach this ideal at once, I have put in the word ' practicability ' so that the matter, while under consideration, will be threshed out by a Committee and calculations will be gone into. I cannot go into calculations firstly, because I am rather weak in my arithmetic and secondly, because there is not material enough to calculate all these things. So I have put the word ' practicability ' so that this modest scheme of mine may be considered and, if possible, a combination both of the Pension system and of the Provident Fund system may be sanctioned eventually. Personally, I am inclined to the view that the retiring servants should take half of

[Mr. G. S. Khaparde.]

their pension and the rest of it in money so that they can play about with something. With these remarks I submit my amendment for the judgment of the Honourable Council.

THE HONOURABLE THE PRESIDENT: Amendment moved:

"That for the words 'that a scheme of granting Provident Fund, on the Railway system or some such analogous system, be substituted, as far as possible', the following words be substituted, namely: 'to consider the practicability of substituting, either wholly, or in moiety, or in such proportion as may be found desirable, a scheme on a contributory Provident Fund basis' ".

That amendment and the original Resolution are open to discussion.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I, too, must begin by thanking the Honourable Mr. McWatters for the assurance he has given on behalf of Government that they are not opposed to the principle underlying this Resolution. Mr. McWatters' speech was very sympathetic and at the same time it explained the difficulties which Government will have to contend with. Consequently, I support my Honourable friend Mr. Khaparde's amendment which suggests that an inquiry be made by Government into the question. Sir, it does cut both ways. The Honourable Mover of the Resolution gave us instances where people died just about the time or a little before the date of retirement and consequently lost all their pension. There may be again instances such as are quoted by the Honourable Mr. McWatters of people who would earn a large sum of money by way of provident fund and because they might be improvident or make bad investments they may lose it all. Consequently a solution of the kind, as is suggested in the amendment, would prove most helpful. I will not therefore enlarge upon this subject any more because Government have very kindly promised to undertake a proper inquiry. But I may be permitted to make one suggestion to Government for their consideration, and that is on the lines of what Insurance Companies do in respect of annuities.

Suppose a man at the age of 55 years pays a lump sum down of Rs. 12,500 to enable him to get an annuity of Rs. 100 a month or Rs. 1,200 a year. Then, if it were an ordinary annuity, if the annuitant died say after a year, the company would stand to make the difference between Rs. 12,500 and the instalment of Rs. 1,200 paid in one year. Insurance companies now have gone one better. By charging a slightly higher premium they guarantee, whether a man is alive and able to earn the annuity amount himself for a certain number of years or not, the payment for a fixed period. For example, in the case that I have quoted, if the party instead of paying Rs. 12,500 pays, say, Rs. 13,000 the company would guarantee a return of Rs. 1,200 a year for 20 years certain. That is to say, if the man died after receiving the amount of the annuity for one or two years, then the balance of 19 or 18 annual instalments, as the case may be, or the commuted amount of those 19 or 18 annual payments in one lump sum would be paid to whomsoever the annuitant had named. If something similar were devised in regard to the pensions payable to Government officers, I for one would hold that that would be a very salutary system.

I may explain my scheme by an illustration. My Honourable friend quoted figures to show the expectation of life from date of birth both in India and in Europe. I will give figures to show what the average expectation of life is at any period of life. A rough and ready formula is to deduct

your own age from the arbitrary figure of 81. Two-thirds of this is supposed to be the average expectation of a man at his then age in northern climes. Assuming, therefore, that a man retires at 55, you subtract 55 from 81, which leaves 26. Two-thirds of this is 17⅓. Therefore at 55 the average expectation in England is 17⅓ years. I quite agree with my Honourable friend Mr. Vedamurti that that expectation is not possible in India. It would be perhaps nearer 10 to 12 years. Let us assume again for argument's sake that the actuaries whom the Government consult in regard to Indian lives determine the average expectation of life at 55 to be 10 or 12 years, If a Government officer at retirement is entitled to a pension of Rs. 100 a month or Rs. 1,200 a year then, if the expectation at that age is 10 years, let Government assume the responsibility, whether the man lives for 10 years or not, to pay the amount to him or to his estate for 10 years. If he dies after the first year, after retirement, he having received Rs. 1,200 for one year, Government would be liable to pay for 9 years more at Rs. 1,200, or the commuted amount of the nine instalments of Rs. 1,200 in one lump sum. This proposal might also be made workable for those who die after 15 years' service but before retirement at age 55. I admit that, if Government accept such a proposal, they would have to set aside more than perhaps they are doing at the present moment for pensions. But, as the Honourable Mover began by saying, if this is done Government service will be in greater demand than it is at present. I commend this suggestion to the Honourable Mr. McWatters and to the persons to whom Government will entrust the inquiry.

THE HONOURABLE MR. J. W. A. BELL (Bengal Chamber of Commerce): Sir, I also desire to support the amendment of my Honourable friend, Mr. Khaparde, and I do so because he has included in it a provision to consider the practicability of the scheme, which I understand involves an examination and consideration of the different points that arise. I gather from the original Resolution of my Honourable friend, Mr. Vedamurti, that his object is to safeguard the interests of pensionable Government servants and their dependants and to improve their financial prospects as from the date of their retirement. If that be his intention, and I think it is, I think that he will have no difficulty in accepting the amendment that has been proposed by the Honourable Mr. Khaparde. The question of whether it is desirable to replace the present system of pension fund by a system of provident fund is not, as the Honourable Mr. McWatters has pointed out, a simple one. It is not a case of choosing between two systems, one of which has so many advantages over the other that the matter of making a correct choice is an easy one. Each system has its advantages and disadvantages, and it is only by weighing the advantages and disadvantages of the one against the advantages and disadvantages of the other that we are able to estimate correctly which system will be best in the interests of the persons concerned. There are many important points to be considered, but it will illustrate what I mean if I mention only three. One of these has been referred to by my Honourable friend, Mr. Vedamurti. It is correct to say that in the event of a Government official dying within a few years after the date on which he commences to draw his pension, his family would be in a much better position if, instead of having come into the enjoyment of that pension, he had drawn a definite sum from a provident fund. But even this advantage is subject to certain minor modifications. In the first place, as has been pointed out, the principle of commutation of pension has already been partially adopted. In the second place, it is possible for a person in the

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enjoyment of a pension to make a provision for his dependants by insurance which will not be affected by his early death. In the third place, I think statistics will bear out, and my own experience of different services leads me to believe, that the majority of persons in enjoyment of pensions usually enjoy them for a considerable time. In this respect I differ from the opinion of my Honourable friend, Mr. Vedamurti. My experience has been that the Government official, the Port Trust official, the assistant in a commercial office, or, shall I say, the sea captain, who commences to draw his pension immediately acquires a new lease of life. It matters not how indifferent his health may have been during his period of service; the receipt of his pension seems to bring about an immediate change. But, putting aside these minor considerations, every one must agree that in certain cases, that is where an official dies shortly after he reaches pensionable age, his dependants will be in a more advantageous position if he has received a payment from a provident fund. Against that advantage one would have, in considering the whole question, to examine two distinct disadvantages. One affects the Fund itself and, through the Fund, the Government and ultimately the tax-payer. After all, in considering a question of this kind, all the interests involved have to be considered. In order to follow this point, it will be necessary to bear in mind the normal rise and fall in the value of Government securities in which the funds of Provident Funds are usually invested, and also the normal rise and fall in the rupee rate of exchange. As is known to most of the Honourable Members present, the market-value of Government securities is highest between April and November, reaching its highest point about June or July and is lowest between November and March, reaching its lowest point in the end of January or some time in February. On the other hand, the rate of Indian exchange is usually lowest between April and November, reaching its lowest point about June or July, and is highest between December and March, reaching its highest point towards the end of January or in February. That is in normal years. Generally speaking, when the rate of exchange is highest, when the rupee is at its highest value, the market-value of Government securities is lowest. Turning to the question of the pension fund as against the provident fund, we find how these factors affect each. In the case of the pension fund, investments are mostly what are called " long-term investments ", that is, at the time they are made, it is not the intention that they should be realized at an early date. The position is, then, simple. You take the return of interest on the face value of the security, you apply it to the cost price, you debit or credit, as the case may be, the difference between the cost price and the ultimate redemption value, and the figure you get is the actual return from the investment which throughout remains unchanged. Any rise or fall in the market-value of the security does not affect the position. The amount of interest is always the same, the return on the investment remains unchanged, and the ultimate redemption value is a fixed quantity. It is not so with the Provident Fund. The monies as they accumulate in the Provident Fund require to be invested at whatever period of the year they accumulate, whether the market-value of Government securities at the time be high or low. On the other hand, the probability is that the heaviest withdrawals from the fund will be at a period when the market-value is low. The beneficiary will naturally choose a period for his retirement and withdrawal of his provident fund between the date on which he becomes eligible for full provident fund rights and the date of his compulsory retirement, in which the rupee is

at its highest value. This is particularly so in the case of beneficiaries who may desire to remit the whole or some portion of their provident fund outside of India. The result will then be that, at the period of the year when exchange is at its highest, heavy withdrawals may be made in any one year from the provident fund. But, as I have pointed out, the period at which exchange is highest is the period at which the value of Government securities is usually lowest. The result will therefore be that, if heavy withdrawals be made involving the realization of a large number of securities, the loss to the pension fund and to Government, and ultimately to the country, may in any one year be very serious indeed.

The second point, the second disadvantage as I might call it, to which I shall refer, has also been mentioned by one or two of the Honourable Members. It affects the beneficiary only. It is a matter of common knowledge that the training of many Government officials does not give them that business experience which is likely to enable them, at the period of their retirement, to undertake successfully the investment and control of a large capital sum. The retired official, who finds himself without business experience and with a large sum of money at his disposal at the time when he elects to retire from service, is in a dangerous financial position. He is surrounded on every side by financial temptations. Sometimes he escapes it is true, but sometimes he does not escape. In the latter event, the retired official and the amount which he has drawn from his provident fund soon part company. This is not any exaggeration; it is a matter of fact that the share registers of wild-cat companies that have gone into liquidation are full of the names of retired Government officials who, lured by promises of handsome dividends made by unscrupulous company promoters, have unwisely invested sums drawn from provident funds in this way. The result in such cases has also been referred to by one or two Honourable Members. It is this, that, instead of the official being able to look forward to a period of retirement free from financial worry, as is the intention of Government or whoever his employer may be, he has nothing to look forward to but financial embarrassment for the rest of his life. These three points are a few among many which ought to be carefully considered and examined before any decision can be come to on the question before us, and it is because the amendment of my Honourable friend, Mr. Khaparde, implies such examination and consideration that I have decided to support it, and it is for that reason that I commend it to the favourable consideration of the Honourable Members of this Council.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I also desire to extend to the Honourable Mr. Khaparde's amendment a full measure of my support and sympathy. I think my Honourable friend, Mr. Vedamurti, has done well in bringing forward this Resolution before the Council to-day. After what has fallen from my Honourable friend, Mr. McWatters, and the sympathetic manner in which he has received this proposal, there is very little to add to the general aspect of the question. I do not think my Honourable friend, Mr. Vedamurti, has in any way over-exaggerated the picture of difficulty, privation, and trial which many members—I mean of the ministerial rank—go through, when they retire on pensions. Few know of the conditions under which these unfortunate people live. My friend, Mr. Bell, has stated that in cases of many of them pensions are preferable and better than sums obtained by way of provident funds and commutation of pensions on account of their inability, owing to their simplicity, to deal with financial

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investments and their susceptibility to be duped by outsiders and by the company promoter. I do not entirely share those views. A Government servant—a pensioner in fact—is not so simple and unsophisticated as my friend the Honourable Mr. Bell thinks that after 25 years of laborious service he does not know where to invest a paltry sum which he gets by way of commutation of his pension or as provident fund. It is the younger men who are generally caught in a snare and who have to dread the company promoter of Bengal and Bombay more than the Government pensioners. I therefore think that the time has come to devise some scheme on the lines indicated by my friend, the Honourable Mr. Khaparde, which will bring a little ray of hope and a small measure of comfort to the unhappy lives of many distressed and ill-provided people who retire after several years of Government service. It must also be borne in mind that many of these men when they retire have other calls of duty and obligations to fulfil. They have got grown up children, they have to incur expenses for their marriage, they have to incur expenses in various other directions, and tiny sums which come by way of commutation or by way of provident fund become very useful and handy in the hands of these people. They are able to escape the tragedy of going to Marwaris and other moneylenders for their immediate requirements and are able to avoid payment of interest, which would attenuate their slender resources. It is true that pensions are not attachable, but it must also be borne in mind that a pensioner does not always get with ease and celerity loans from bankers and moneylenders which other classes of people are likely to obtain. It is in view of these circumstances that I think it necessary that Government should give their best thought to this important matter so as to relieve distress in many a household. I therefore heartily endorse what has been said by my friend, Mr. Khaparde.

There is one remark, however, which has fallen from my Honourable friend, Mr. McWatters that has caused me a little concern and disappointment. He has told us that it is not possible in the case of men already in the existing services to introduce this system of contributory provident fund.

THE HONOURABLE MR. A. C. McWATTERS: I said probably without financial loss to Government.

THE HONOURABLE SIR MANECKJI DADABHOY: Thank you, I think it would be possible to devise means which will obviate any financial obstacle. I do not possess the same knowledge and information as the Members of the Finance Department. Perhaps, the scheme of annuity suggested by my Honourable friend, Mr. Sethna, might help to solve this problem. It may be safely urged that men who have been in service for 5 or 10 years be called upon to declare their option by being allowed to contribute on their past salaries the required percentage and thus be permitted to join the scheme of contributory provident fund. In that case there would be no financial loss to Government. The Government at present under certain conditions do allow commutation of one-third of the pension earned, and such amount is handed over to these indigent pensioners. As I understand, the average life of these pensioners on retirement does not ordinarily exceed about 10 years and in very many cases they are not fortunate enough to earn and enjoy their pensions even over two or three years. In their cases a contributory provident fund system would be very welcome and useful. Measures may also be

devised to place the present commutation scheme on some better, wider and more remunerative basis, and some measure of tangible relief ought to be extended to these unfortunate people by the application or introduction of some more suitable scheme. However, I am glad that Government have forestalled this proposition and an inquiry has been made and certain proposals have already been sent up to the Secretary of State. That is what I understood Mr. McWatters to say. I hope when these proposals are returned by the Imperial Government, the Finance Department will see the advisability of taking the Legislature into their confidence and giving them an opportunity of discussing these measures before they are finally sanctioned and accepted by the Secretary of State. With these remarks, Sir, I support the amendment of my Honourable friend, Mr. Khaparde.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, I think that generally speaking in my part of the country, our people are more hardy than the rest and are the fittest. Owing to climatic effects of extreme cold and heat all those who are weak die and only the strong ones remain. So they draw their pensions very much longer than people in other parts of the country. In that way, Sir, I think pension for Punjabees is better than a provident fund. Pensioners are not financiers. If they draw a lump sum, first there is the question of where to keep it. If they keep it in their houses, there is the danger of its being stolen; dacoits may come and take it away. If they deposit it in the banks, there is the danger of those going bankrupt. Again, when in service, they have got a certain standard of life and when they retire they cannot very well change it. They go on spending money just as they did when they were getting their full pay and a time may come before they die when they will be absolutely penniless. In that way, too, Sir, it is better that they may not draw a lump sum allowance like that. Even after the death of a pensioner, if he has got a young son, it will not be wise to entrust a lump sum to him. It will be a very bad thing, especially with a widow also. I was thinking of opposing the Resolution, but an amendment has been moved to it. If the Resolution is opposed, of course then there will be no amendment. So, it is for that reason that I am for the amended Resolution. There are, Sir, hard cases no doubt. But if there is some scheme like this that, if a man dies and cannot get pension for a long time as if he had lived and it cannot be continued for some years after he has died, it would be much better to continue the pension for the welfare of the bereaved family than giving a lump sum. With these few remarks, Sir, I support the amendment.

THE HONOURABLE SIR ARTHUR FROOM: I move, Sir, that the question be now put.

THE HONOURABLE MR. S. VEDAMURTI: I also must thank, Sir, the Honourable Mr. McWatters for his sympathetic attitude towards my Resolution. I must thank all those Honourable friends who have spoken on the Resolution for their support of the principle that is embodied in the Resolution. I have never shut my eyes to the fact that there are difficulties, financial and otherwise, in the way. I have not shut my eyes to the fact that there is a difficulty with regard to the existing Government servants. But what I maintain is that, even if financial considerations are standing in the way of the Government, they must incur the cost for the sake of the loyalty and devotedness of their servants. A system which has worked so successfully in the Railways, both State and Company-managed, is sure to

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be successfully worked in the case of Government officers as well. The pensionary system, as it is, is a mere lottery. The men who get pension are fewer, and the race is to the strong and the long-lived. I still maintain that only very few people live to enjoy their pension in spite of my Honourable friend Mr. Bell. As matters are, those who die young leave their families in a helpless condition. The State owes a duty to such families and it is their duty to support their families when these members die early. Although it was my impression that the Honourable Mr. Khaparde's amendment was neither fish nor flesh nor red herring, I would like to accept it now, for I would welcome any inquiry whether on the lines of the amendment moved by the Honourable Mr. Khaparde or on the lines of the amendment which the Honourable Mr. McWatters has not pressed.

THE HONOURABLE MR. A. C. McWATTERS: Sir, I need merely say that the Resolution, if amended as suggested by the Honourable Mr. Khaparde, is one which the Government is prepared to accept. They recognise that this question is of great importance to all Government servants and to Government and that a comprehensive inquiry is needed. Such an inquiry is really in progress already. The first steps will be taken after we have received the advice of the Public Services Commission and after that, if it is decided to proceed, we shall have to consult Local Governments. The Government's attitude is, as I have said, not one of opposition. They have an entirely open mind on the subject. It is possible that a system on a contributory Provident Fund basis can be devised which will be attractive to Government officers and at the same time will not impose an undue liability on the State. The Resolution as amended does not commit the House to any premature statement on the subject. It simply emphasises the desirability of an inquiry, which Government themselves accept.

THE HONOURABLE THE PRESIDENT: The original Resolution moved was as follows:—

"This Council recommends to the Governor General in Council that a scheme of granting Provident Fund, on the Railway system or some such analogous system, be substituted, as far as possible, for the existing Pension system for Government employees, gazetted and non-gazetted, under the Government of India and the Provincial Governments and Administrations."

To that Resolution an amendment has been moved:

"That for the words 'that a scheme of granting Provident Fund, on the Railway system or some such analogous system, be substituted, as far as possible', the following words be substituted, namely: 'to consider the practicability of substituting, either wholly, or in moiety, or in such proportion as may be found desirable, a scheme on a contributory Provident Fund basis' ".

The question is that that amendment be made.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The further question therefore is that the amended Resolution which runs as follows be adopted.

"This Council recommends to the Governor General in Council *to consider the practicability of substituting, either wholly, or in moiety, or in such proportion as may be found desirable, a scheme on a contributory Provident Fund basis,* for the existing Pension system for Government employees, gazetted and non-gazetted, under the Government of India and the Provincial Governments and Administrations."

The motion was adopted.

RESOLUTION *RE* UNEMPLOYMENT IN INDIA.

THE HONOURABLE MR. K. V. RANGASWAMY AYYANGAR (Madras: Non-Muhammadan): Sir, I beg to move the Resolution which stands in my name:

"This Council recommends to the Governor General in Council that the problem of unemployment in India be seriously considered and satisfactory remedial measures be adopted."

Sir, I gave notice of this Resolution a year back, but I did not move it as some friends, whom I then consulted in Council did not appear very enthusiastic about the subject. But the opinion in the country was that there was acute distress in the country owing to unemployment then, and it was a mistake that the Resolution was not moved. I wanted to move it before the Committee of Lord Inchcape had finished their labours so that it might go a certain way to prevent the axe of Lord Inchcape working the havoc it has done in the land. A vast number of poor Indians have been thrown out of service and the suffering caused by retrenchment of £20 millions has affected mostly the poor Indian employees, and this would have been restricted to some extent had a protest been made then. I do not mean to confine my Resolution to the unemployment of the labouring classes alone, but I intend to include in it the educated classes and what is called the "*Bhadralog*" class. In one way I should say that I have not waited in vain for a year to move this Resolution. A state of misery due to unemployment has actually been caused, as was feared, by the recommendations of the Inchcape Committee and at the present moment many of the mills of Bombay and other places have had to be closed down, thereby throwing a large number of mill hands out of work and adding to the number of the unemployed. I am privileged to introduce this Resolution at an auspicious time when a party most vitally interested in the welfare of labour is in office in England.

Sir, the one reproach which is based on a real foundation against the British Government is the growing economic distress in the country, while practically no steps are being taken to relieve destitution and unemployment in the country. While the protagonists of the British Government take pride in the security of person and property, they seem to forget that the culpable indifference of the Government towards the question of unemployment exposes the poor people of this country to a lingering death by the slow torture of hunger. I do not belong to the class which says that all humane sentiments are confined to any one particular nation. In my political life I am proud to say that I have come in contact with many men of the white races with as good and large hearts as are possessed by any one and what I want now is to persuade Government to bestow some thought upon the urgent problem of unemployment and to try to forestall a growing menace. We have seen in foreign countries how Governments come to grief if they do not take timely steps to meet the question of unemployment in the land. We have seen it in Russia, France, and other countries, and we have seen it in a constitutional way in England where the Government has passed into the hands of a party which stands committed to the policy of finding a solution for the unemployed. I am asking this Government to take up this question in right earnest. I regard this question to be of greater importance than may be claimed for any other subject. Sir, we want autonomy and full enjoyment of our political rights chiefly because this question has not been handled by this Government. The principal reason Mahatma Gandhi

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gave in Court when he was sentenced two years back, was that he could not bear the sight of a half-clad nation with not even a full meal a day and that the misery and utter destitution of the people due to unemployment was really unbearable. The youth of the nation with infinite capacity either for manual work or for brain work do not find a market-value for their intelligence or for their strength even for a living wage.

I agree with Sir Visveswarayya that no reliable statistics regarding the number of the unemployed are available although some census reports give elaborate information about the fauna and flora of the country. Is there any country in the world where men are emigrating to distant lands in search of labour, even to countries where they are ill-treated and treated like cattle and helots? Yet this is done under the flag of the British Government who in the past were the pioneers in abolishing slavery in other lands. I appeal to that nation to turn the light of its magnanimous heart upon suffering humanity in India also.

Although my friends in the Council dissuaded me from moving this Resolution last year one of them saw it fit to bring a simliar Resolution a fortnight back in this Council, and I am glad to say that that Resolution was ably moved and received the best of attention in the Council. The Resolution I have the honour to move, confines its scope to able bodied men who want work but who cannot get it. While that was aimed at by the appointment of a Committee for ascertaining the average annual income of the people and seeking remedial measures to remove destitution, I want the labour department of the Imperial Government to find out the exact number of the unemployed and exert itself to solve the problems of unemployment and consistently and constantly endeavour to eliminate the causes which lead to the misery of indigence and secure the happiness of the millions of the unemployed. Let me suggest some remedial measures that are not outside the province of the Imperial Government. The lakhs of men thrown out of employment by the Inchcape retrenchment scheme should be given the first preference when any vacancy under Government or a railway is to be filled up. The ex-employees are not only assured of a continuity of their services but their pensions also. But while military men, on being disbanded, are given an assurance that they will be taken back, men thrown out of civil departments even after three or four years of service are assured of no preference when Government want men of the same qualifications again. The retrenchment proposals were only a plea in a province like Madras to throw out old employees and employ in their stead new men belonging to the party in power. I should like to know by what conceptions of justice or fairness such a state of affairs is to be regarded as tolerable. I could not understand how politicians viewed with favour the retrenchment proposals. They have caused a thousand times more misery than the salt tax or any other tax. Besides helping the unemployed, who are thrown out of employment, in this way the Government when they open up new irrigation projects or when granting *Dharkats* can assign lands and make them intensive cultivators. The Department of Industries has been doing something by way of introducing new occupations for intelligent men and I think it should have done more. A country which abounds in raw produce should be made self-reliant in every need and everything from a pin to huge machinery should be made here. This in its turn makes us ask for the protection of our industries. In England we saw that in face of the question of unemployment the remedy of protection of Industries

was the one uppermost in the minds of the politicians. Protection or Imperial Preference was the one solution offered by a responsible Government anxious to safeguard the welfare of the people. This proposal, if made in India, should not be deemed as anti-British but as an inevitable measure for relieving unemployment in the land. I want protection to be secured to all the Indian industries that employ a large number of labourers. The protection should be in the form of discouraging foreign competition by prohibitive tariffs and also in the form of giving bounties to Indian Industries or giving them a guaranteed dividend. This is being done in foreign countries. Last year a critical situation arose when the Japanese yarn was sold at six annas and eight annas a pound in the Bombay market. This year again the method of raising the prices of Indian cotton was such that many mills had to close down. If the Government showed any solicitude for the interest of the people of this country, they would take effective steps to put a check to such competition. It may be said that the interests of the unemployed in England have to be protected before any action is taken to protect the interests of the Indian unemployed and the policy of protection in India must not be allowed to affect the solution of the unemployment problem in England. But we have the promises of three great Sovereigns of England that both the Indian and English subjects will be equally protected and we ask for no more than the fulfilment of those promises. Let it not be said, Sir, that principles propounded in Royal proclamations must not be expected to be applied to grim problems of life, and that this country has been conquered and is ruled for the benefit of England. If you suffer this to be said, all your Councils and insistence on constitutional methods become a mere cloak for usurping our rights. I venture to move this Resolution only because there has been the assurance of equality of treatment and there is the theory of trust and " the White Man's Burden " seriously believed by many English and Indian gentlemen. What have the Government been doing till now to solve the question of unemployment? Are all the people who are fit to be employed in the different parts of the country engaged in some occupation? One has only to walk into a busy town to find oneself besieged by paupers and bare-limbed caricatures of human beings. I cannot imagine how they protect themselves from cold when costly overcoats barely suffice in our case. Famine or no famine, the tale of famished men and women and those who have not enough to clothe their nakedness is a familiar one in our country and with all the resources of the country, which are daily exploited by and for the benefit of those who are rolling in plenty, where must the blame for this heart-rending misery be laid if not at the door of the Government which has it in its power so to develop India's resources so as to provide enough and to spare for the poverty stricken masses of the country?

We acknowledge the valuable services rendered by the State in remedying unemployment, when it takes the shape of famines, but is it impossible to take action to blot out famines from India while so much remains to be done in extending irrigation works? But I am not thinking of unemployment during famines, but of the distress which exists in India every day and which is not styled as ' famines ' by the Government. The problem I have in view is no other than what England is trying to grapple with there to-day. Since sending my Resolution last year, I am glad, there is a growth of public feeling on this point and many a public man has moved in this matter. Colonel Gidney had even moved an adjournment of the other House because some members of his community were

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thrown out of service. To whatever community one may belong if only he is out to find work there should be no 'not wanted' and no one should suffer from hunger especially when he is fit to work. The primary duty of the State is to find out a market-value for the brain as well as for the manual labour of its subjects. Mr. T. V. Sheshagiri Iyer has been doing something in this direction by way of requisitioning the Zamindars to provide agricultural holdings and I am glad to note the following news from Bengal.

This is a cutting from the "Pioneer" dated Calcutta, 14th February, I received yesterday.

"An Association, called the Modern Co-operative Agricultural Association, Ltd., has been registered, with Sir Ashutosh Mookerjee as President, to carry out the Calcutta University scheme to deal with middle class unemployment. Briefly, the plan is to organise a central industry in which young men of the middle class shall be able to find suitable industrial employment for a short time each day, spending the rest of the day cultivating a small holding to produce a great deal of their own food in a systematic and organised manner. The main feature of the scheme is that this industrial educational organisation is to be developed as an 'educational colony' so that the middle-class man shall become a trainer of the young and thus members of the industrial staff of an educational establishment. The Association has arranged for land in and around Pareshnath Hills, where the climate is excellent, irrigation easy, labour cheap and the soil most suitable for all valuable crops."

Cannot Government help such enterprises? Of what avail is the present education that gives no food to our young men. What can society do without the aid of the State? Even in advanced countries we see it is only the State that has solved unemployment. There are some advanced communities as the Parsis or the Marwaris or the Chetties, who, I think, have found a solution of the problem of unemployment in their communities, for one does not come across street beggars belonging to those communities. The past rulers have solved this problem and an ideal system of poor houses existed in those days. Even to-day there are many endowments, which, if properly controlled, would relieve the misery of many a hungry man. To admire the ideal system of the old days one has only to go to Travancore now to see its generous nature. Labour-giving industries like hand spinning and hand weaving should be subsidised by the State and this would give employment to many. The remedial measures, I have suggested, are not impracticable and once more I say with all the emphasis I can command that it is the duty of the State to consider this problem and seek remedies to alleviate the distress caused by unemployment. The capitalists and mill owners need not be alarmed at this Resolution. My Resolution if carried will cheapen labour. If only the Labour Department of the Government of India would take stock of the unemployed and exert itself in the direction of giving employment for a long time to come, this reserve of the unemployed will help the mill owners. It is only the worse position of the unemployed that will make the labourers in the mills to be contented with their better lot. So I appeal to the capitalists to view this Resolution with favour. There were suggestions that this Resolution should be moved elsewhere, but I have confidence in the Government that they will sympathise with the unfortunate and the hungry, and in this House that it will possess the imagination, to bestow a thought upon them. We are taken to task by our English friends for not having moved to solve the problem of the poor and this Council is described by them as merely "Bourgeois." I do not think that they would oppose this when we ourselves bring it. If this is not

favoured by the Government we can treat the reproach they have been levelling at us as an invention for withholding further political reforms.

Sir, the acute misery and distress now prevalent in the country owing to unemployment can leave no sincere well-wisher of the country unaffected. I have been witness to deeply touching scenes and have had to deal with cases which would move stones to tears. Genteel poverty has always been the theme for moving eloquence of humanitarians, socialogists and politicians but none who has witnessed it in its acutest form in the case of starving families of educated men, as I have done, can ever remain unmoved. In one pathetic instance one educated young man with a famishing family appealed to me to employ him for bare full meals and in another case an educated man addressed me his heart-rending appeal in words which I shall repeat within the hearing of the Council. He said: "Sir, I wish I were a saleable animal, but as a man I cannot be sold either; I wish I were born at least among cannibals so that some use were found for me and the price for which I could be sold went to my starving family." With these words of a human being born and educated in India ringing in your ears I leave the Resolution in your hands.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to support the principle of the Resolution. As far as the Punjab is concerned, I might say that the unemployment of the uneducated classes does not at all arise. With these big canal projects going on, I mean the Sutlej Valley canals, and so forth, the demand for labour is so great that the earthworks in the various canals are being delayed on account of not finding the requisite labour. But, as far as the educated people are concerned, there is certainly a great deal of unemployment among those people, and therefore an inquiry into the subject of employing the educated classes in particular and the class of Anglo-Indians who have been thrown out of employment as well requires consideration. Unemployment adds to the unrest of the country, and I think therefore that it is the duty of the State to solve this difficult problem. This is already engaging the attention of the Home Government for the unemployed there, and I think that the Government of India would do well to solve the question here. With these few words, I support the principle underlying the Resolution.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN (North-West Frontier Province: Nominated Non-Official): There can be no denial, Sir, of the fact that demobilization in the Army and reductions in the Military Departments as a result of the recommendations of the Retrenchment Committee have brought much affliction and distress to many families in India. The fact is, Sir, that several of the educated people who have been thrown out of their billets have to blame themselves for being idle, for their laziness and for not finding suitable employment for themselves in some other sphere. To my mind, Government cannot provide 333 million Indians with billets. The question is, Sir, that an educated man, if he exerts himself, can go and join some agricultural college, and if he qualifies himself there, I do not think, Sir, that there can be much difficulty. If he comes out with good qualifications from those institutions, he will surely find some employment with some big land-owner who would quite welcome a highly educated man from an expert agricultural college. Then again, Sir, some of the unemployed educated people can go and join a commercial college; where they can qualify themselves, and after

[Major Nawab Mohamed Akbar Khan.]

having been qualified I do not doubt that several employers would be willing to take these people on good salaries. Again, Sir, when the masses of uneducated people are earning their livelihood through commerce or any other line of business what is there to stop an educated man from taking to a business which can very easily bring him sufficient money to live upon and where he can rise to any position on account of his better education? But the only difficulty is that all educated people have got one objective, and that one objective is to find some billet in Government employment. As I have said already, Government cannot procure for everybody a billet, because the budget of the country would not permit such an expensive experiment to be made. I do not say that Government should not extend some patronage to these people. Of course Government can do something, but they should also form associations of their own after qualifying themselves in different examinations, for different spheres of work, and through their own private associations they can advertise and people, such as owners of large factories, or land owners, will be willing to take them. I do not think they will be unwelcome either there or in any other spheres of life. But Government cannot take on the whole of them. They must form private associations of their own, and they could help themselves a good deal by forming such associations. With these remarks, Sir, I am sorry to say that I oppose the Resolution but I do so most emphatically.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, while the Honourable Mover of this Resolution has my entire sympathy in his declamations of horror of the distress arising out of unemployment, I cannot support his Resolution. The Government of India's shoulders are very broad and many burdens are laid upon them, but I think this question of unemployment in the various provinces of India must be, and rightly should be, considered a matter for the concern of the various Provincial Governments. Each Government in this respect should set its own house in order. Having said this much, Sir, it might be expected that I should at once resume my seat, but there are just one or two points in the Honourable Mover's speech to which I would like to draw the attention of this Council. The first is the Honourable Mover mentioned that he first drafted this Resolution rather more than a year ago, but he did not move it then for some purposes which I did not quite follow. He then went on to emphasise the havoc brought about by the Retrenchment Committee's report. Now, the Retrenchment Committee's report and the action thereon has taken place since he first put his Resolution on paper. Therefore, I cannot follow his arguments in that respect. Unemployment must have been rife according to the Honourable Mover of this Resolution in this country before any effect was given to the Retrenchment Committee's report. Again, the Retrenchment Committee was constituted on the recommendation both of this Council and from another place. Honourable Members of both Houses expressed their fear of the ever increasing expenditure of this country. A Retrenchment Committee was formed and their advice in many respects, if not in all, has been followed and the result has been—I think all Members will agree—a considerable reduction in expenditure. Having achieved this reduction of expenditure, we have now one Honourable Member of this Council standing forth and speaking against the unemployment arising from it. In fact, I think he went so far as to say that we should re-introduce in the staff of many departments those clerks who have been axed as being in excess of what is required. That is hardly an economical proposition.

We are all very sorry that those clerks are out of employment, but the Honourable Member's suggestion to inflate the clerical staff of the various departments seems to me at once ridiculous and unpracticable. Again, the Honourable Member referred to the present very unfortunate mill strike in Bombay. The reasons he suggested for the strike I did not quite gather, but he mentioned something about the high price of cotton. He went on to say that if the various proposals he put forward to reduce unemployment were adopted the mill-owners of Bombay would find that their labour would cheerfully accept lower wages. I would like to point out to this Honourable Council that the whole and sole reason of the mill strike in Bombay is that labour is objecting to accept lower wages at the present time. The point at issue in connection with the mill strike in Bombay was that in their prosperous years the mills have been in the habit of giving a month's bonus a year to their employees. The mills in Bombay consider they are not having prosperous years now and they have withheld the month's bonus with the result that the men say they are entitled to it. That is the long and short of the mill strike in Bombay. The men object to forego their bonus. Their actual wages have not been reduced, but they consider they have a claim to the bonus which was given to them in prosperous years. I hold no brief for the mill-owners of Bombay, but I thought the Council would like to know the exact state of affairs there. Again, the Honourable Member suggested that industries should be bolstered up and that dividends should be guaranteed by Government. I ask the Honourable Members of this Council if that is a practical proposition. Are we going to keep down the expenditure of the Central Government by adopting such suggestions? As I have said in the beginning of my few remarks, I sympathise with the Honourable Member in his horror of unemployment. Unfortunately, there is unemployment in many other countries. We have got very serious unemployment in my own country. It is a problem which is before many Governments. It is a most difficult problem. I cannot see its solution from any of the suggestions made by the Honourable Member from Madras, and I cannot see that he can rightly lay the burden of its solution on the Central Government. It is a matter for the Provincial Governments to inquire into and to set their own house in order as soon as they can as regards unemployment in the provinces.

THE HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab: Muhammadan): Sir, it is difficult to exaggerate the good intentions of the Mover of this the one philanthropic Resolution which has ever been moved in this Council. But, Sir, he deals with a subject which forms the problem of the age; the question of unemployment is a problem with which practically all countries are affected. If the Honourable Member suggests any measures for the amelioration of the condition of the poor, I think he may be congratulated on finding a solution for the disease which is afflicting the modern age. But during the course of his speech he failed to suggest any remedy for the evil which he has described. It is all very well to read a kind of essay in the Council or elsewhere and to accuse the mill-owners—the long-suffering mill-owners—or the Government. But when it comes to the suggestion of practical measures the Honourable Member fails to devise any means or suggest measures. Government may be accused of not finding any means for bringing down the rains from the skies when the monsoon fails and the mill-owners may be accused of not employing more men in their factories. But Honourable Members ought to understand, specially the Mover, that Government have limited resour-

[Sir Zulfiqar Ali Khan.]

ees and also, I daresay, the mill-owners. How can either the Government or the mill-owners employ the whole population? I think the problem of unemployment is the least urgent in India. In Great Britain this great problem is now agitating the minds of the Government and the country But there also we have seen that one Government has fallen on this question and even the other Government, the very Government of Labour, for whose amelioration this present Government has come, has failed so far to suggest practical means for the reduction of unemployment. The Honourable Mover is a land-holder himself and I maintain that in those provinces where landholders are middlemen between the Government and the poor subjects, the poor agriculturist suffers most. I do not think that the middleman, that is, the landholder, has done anything to show his sympathy with the poor people. Take the case of the United Provinces or Eastern Bengal or perhaps Madras itself. I am not conversant with the conditions obtaining in Madras; but I have seen myself in the United Provinces and Eastern Bengal that the poor subjects and the poor agriculturists are so emaciated and are so miserable that they excite the sympathy and commiseration of all sympathetic people. But there, Sir, is it Government who is to blame or is it the middleman who is to blame? The Government certainly takes its share of revenue but the middleman tries to squeeze as much out of the poor men as he can. Has the Honourable Mover done anything practical to show his sympathy with these poor men? He is a middleman himself. Sir, the question of unemployment amongst the educated classes is certainly acute. But these educated men voluntarily rush to the Universities or schools and come out with a meagre knowledge. They would not go to the mines to work there. They would rather cast their eyes—greedy eyes—on the offices of Government. (*The Honourable Sir Maneckji Dadabhoy*: "On politics".) Perhaps politics too. The offices of Government, which are already crammed, cannot give any promise of employing all educated men. The Inchcape Committee was appointed to reduce the expenditure of Government, and as a result some of these people were thrown out of employment. As the Honourable Sir Arthur Froom said, one of the Honourable Members stands up and accuses Government of reducing the expenses. I must say that the Honourable Members must draw the line somewhere. On the one hand they accuse Government of having increased the expenditure; and when the Government reduces its expenditure they blame Government for dismissing or reducing its establishment. If the Honourable Mover wants Government to find employment for the poor people, would he suggest that some other capital, whether provincial or otherwise, may be built somewhere else? Delhi has employed so many people for so many years and there is an outcry in the whole of India that Government are spending money here without any utilitarian purpose. I daresay Madras may require some better capital and the Honourable Mover may move a Resolution there for improving the looks of his own province. Sir, with these few remarks I oppose the Resolution.

THE HONOURABLE THE PRESIDENT: I suggest to the Council that further discussion on this Resolution had better be postponed till Wednesday next, if the Member in charge has no objection. It is a non-official day and there is only one item on the Paper.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): I have no objection.

STATEMENT OF OFFICIAL BUSINESS FOR 21ST FEBRUARY.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, there is a small statement which I have to make. The next meeting of this Council for official business was provisionally fixed for to-morrow, but as no Government Bills are ready to be brought forward, it is proposed, with your permission, that there should be no meeting to-morrow. Thereafter, the next day for official business will be Thursday, the 21st February, when the discussion on the motions, namely, the Indian Tolls Bill and the Criminal Tribes Bill, which was postponed by the Council on the 5th February, will be resumed.

THE HONOURABLE THE PRESIDENT: The Leader of the House has announced that there will be no official business for to-morrow, and I therefore adjourn the Council until Wednesday, 11 A.M.

The Council then adjourned till Eleven of the Clock on Wednesday, the 20th February, 1924.

COUNCIL OF STATE.

Wednesday, the 20th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

Forestry Education.

100. The Honourable Mr. PHIROZE C. SETHNA: Will Government be pleased to state what action they have taken or intend to take on the Resolution on Forestry education passed by the Council of State on 19th September 1922?

The Honourable Sir NARASIMHA SARMA: The Government of India have prepared a scheme for the joint training of Indian Forest Service recruits at Dehra Dun which will be submitted to the Secretary of State for orders as soon as the Standing Finance Committee have approved the financial expenditure involved. I may say in continuation of the answer I have just given that the Standing Finance Committee has agreed to it, and a despatch is being sent.

Training of Forest Officers.

101. The Honourable Mr. PHIROZE C. SETHNA: Will Government be pleased to state—

(*a*) if it is a fact that they complained to the Secretary of State in 1920 of the " inadequacy of training " of their Forest Officers, as stated by Professor Stebbing of Edinburgh in the " Nature " of December 2nd, 1920;

(*b*) what steps they and the Secretary of State have taken to ensure that the training of Forest Officers in future is adequate and efficient;

(*c*) if it is a fact that there is no organised training of new Forest recruits on their arrival in India;

(*d*) if they are aware that Mr. Perreé, the Director of the Dehra Dun Institute, says, " Practically nothing is done to train the newly arrived Forest Officer to help him in the study of Indian conditions and problems " and further that " this is a far more important question than the higher course of training contemplated at the Oxford Central Institution ";

(*e*) if they have considered the question of the desirability of instituting a special advanced course in Indian Forestry at Dehra Dun as suggested by Mr. Perreé; and

(*f*) if it is a fact that Mr. Perreé thinks that such a course can be successfully instituted at Dehra Dun?

THE HONOURABLE SIR NARASIMHA SARMA: In view of the answer given to question No. 100 it is presumed that the Honourable Member will not want an answer in detail to this question. It may be stated that the Government of India are now advised that the opening of the economic workshops, etc., at Dehra Dun has introduced a new factor into the problem and that facilities now exist there for the highest form of training.

THE HONOURABLE MR. PHIROZE C. SETHNA: May I ask a supplementary question, Sir? Within what time does the Honourable Member expect a reply from the Secretary of State?

THE HONOURABLE SIR NARASIMHA SARMA: The despatch has not yet gone, and therefore I cannot say how long it will take to get an answer from the Secretary of State.

THE HONOURABLE MR. PHIROZE C. SETHNA: May we know, Sir, when it is likely to go, and under ordinary circumstances within what time a reply might be expected?

THE HONOURABLE SIR NARASIMHA SARMA: The despatch is likely to be sent Home to-morrow or next week. We hope to do so. We have asked for early instructions, and it rests with the Secretary of State to digest the whole subject and pass orders.

COST OF TELEGRAMS SENT BY THE GOVERNOR GENERAL AND THE GOVERNOR GENERAL'S COUNCIL TO THE SECRETARY OF STATE.

102. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state under what heading or headings in the general budget are included the costs incurred for telegrams—

(*a*) from the Governor General personally, and also

(*b*) from the Governor General's Council to the Secretary of State?

THE HONOURABLE MR. A. C. McWATTERS: The cost of personal telegrams from the Governor General to the Secretary of State and of official cypher telegrams from the Governor General in Council is met from the provision for 'Contingencies—Postage and Telegram Charges' in the budget estimates of the Private Secretary to His Excellency the Viceroy under the head '22—General Administration.' Expenditure on other telegrams from the Governor General in Council to the Secretary of State is included in the provision for "Contingencies—Postage and Telegram Charges" in the budget of the respective departments of the Government of India Secretariat under the same major head.

IMPERIAL RESEARCH INSTITUTE AT DELHI.

103. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (i) Would the Government please state what progress has been made regarding the work of the Imperial Research Institute at Delhi? If any scheme has been prepared, would the Government please lay it on the table?

(ii) In what particular branches of medicine is research work proposed to be carried on at Delhi? If it is to be chiefly in Tropical Medicines what clinical materials would be available at Delhi?

(iii) Is there to be any co-relation between the work at Delhi and Calcutta? If so, in what manner, and to what extent?

(iv) How are Research workers proposed to be recruited?

(v) Are Research students proposed to be trained by the Research workers? If so, to what extent and from what fields?

(vi) If such work cannot be conveniently carried out without contact with post graduate teaching work, how is such teaching work proposed to be provided at Delhi?

(vii) What are the available resources for Research work at Delhi and what are the actual requirements?

(viii) If the available resources are insufficient, how is it proposed to supplement them?

(ix) What arrangements are proposed to be made for carrying on the work throughout the year in a climate like that of Delhi?

(x) Does the Government propose to supplement the resources of the other centres of medical researches in India, such as the Tropical Medical School at Calcutta?

THE HONOURABLE SIR NARASIMHA SARMA: (i)—(ix). The proposal to establish a Central Research Institute at Delhi has had to be held in abeyance owing to financial stringency. In the circumstances parts (ii)—(ix) of the question do not arise.

(x) The Government of India are precluded from spending central revenues on a provincial institution such as that mentioned by the Honourable Member.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: May I ask a supplementary question, Sir? As the scheme is held in abeyance, will Government consider the desirability of placing the institution in a more suitable centre?

THE HONOURABLE SIR NARASIMHA SARMA: The question will be considered in due course. I may add that I cannot hold out much hope.

ROYAL INDIAN MILITARY COLLEGE, DEHRA DUN.

104. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state what steps have been taken—

(*a*) for expansion of Prince of Wales' Royal Indian Military College at Dehra Dun;

(*b*) for making its objects better known throughout India;

(*c*) for reducing the cost of students' residences in the College;

(*d*) for taking steps for training students who do not qualify for Military career but might qualify for other careers in India?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) This question is under consideration.

(*b*) Information regarding the College is widely distributed by all Local Governments twice a year when they are invited to select candidates for admission to the College. As the result of a question asked by the Honourable Member in the Legislative Assembly, the Government of India some little time ago consulted Local Governments as to the need of further publicity and the general sense of the replies received was that the existence and purposes of the College are well known and that further

advertisement is not required. From their own experience, the Government of India are satisfied that this is the case. No difficulty is found in obtaining candidates for all the vacancies available from time to time. I can, however, assure my Honourable friend that the desirability of keeping the Dehra Dun College and its advantages before the Indian public is constantly in our minds.

(*c*) Government do not at present contemplate making any reduction in the present fee, which is Rs. 1,500 per annum, and represents only a fraction of the actual cost of the education given.

(*d*) As I stated on the 11th February in reply to question No. 55, the training given at the Prince of Wales' Royal Indian Military College, Dehra Dun, is intended primarily to enable the boys to qualify for a King's Commission in the Indian Army. At the same time the course of study is such that, should a boy fail in the entrance examination for the Royal Military College, Sandhurst, he will be in as good a position to pass the University entrance examinations as if he had been educated at any ordinary school.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Have any steps been taken, or are likely to be taken, for enabling poorer students, who cannot pay these comparatively high fees, to join the College?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Steps have already been taken and are under consideration with that object in view, and we hope that at no very distant future we shall be able to institute scholarships, which I suppose is what the Honourable Member refers to. One of the objects of the Pertab Singh Memorial is to establish scholarships at the Dehra Dun College, and I may say that we have had a very good response to our request for subscriptions to that Memorial.

ANSWERS TO QUESTIONS.

105. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Would Government please state what, if any, steps have been taken for placing on the table answers to questions in the Council according to a suggestion made in the Council in that behalf?

(*b*) If no steps have been taken, does the Council propose to take any steps?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: (*a*) The direction given by the Honourable the President on the 15th September 1921 has been followed.

(*b*) Does not arise.

ACCIDENT ON THE B. B. AND C. I. RAILWAY BEYOND IDGAH.

106. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY:

(i) Was there an accident on the Bombay, Baroda and Central India Railway beyond Idgah at the end of December last? If so, on what day was the accident and what was its cause?

(ii) How soon after the accident was the news communicated to the relieving station and what steps for relief were taken and when?

(iii) How many hours after the accident did any relief and the relieving train arrive and from what station?

(iv) How soon after the accident did any responsible officer appear on the scene and what police and lighting arrangements were made for transhipment?

(v) How long were passengers by the mail train from Agra detained at the place of accident before the arrival of the train from the opposite side to take them on their onward journey and what was the reason of delay? What arrangements were made for the first and second Class passengers by this train? Is it not a fact that the relief train and the passenger train came combined and, if so, what was the reason for such arrangement?

(vi) Is it not a fact that the arrangements about the porters and about transhipment in general were altogether insufficient, and is it not a fact that till the arrival of the relieving train the arrangements were wholly in the hands of the station master of Idgah and a junior ticket collector from Agra?

(vii) Would Government please state if better arrangements would be made in future for the comforts and convenience of the passengers in the case of accidents?

THE HONOURABLE MR. D. T. CHADWICK: (i) The Honourable Member apparently refers to the case of a buffalo being run over by a goods train between Bichpuri and Idgah on the Bombay, Baroda and Central India Railway on the 30th December 1923, between which stations the railway line is fenced.

The accident derailed 18 wagons of the goods train and the line was blocked for 18 hours necessitating the transhipment of passenger trains. There was no loss of human life and the damage caused to rolling stock by the accident is estimated at 800 rupees.

(ii) to (vi) Government have no information but are inquiring.

(vii) When accidents on railways unfortunately occur Government are satisfied that, as a rule, everything that it is possible to do for the comfort and convenience of passengers is done in the special circumstances of each case.

RESOLUTION *RE* UNEMPLOYMENT IN INDIA—(*contd.*)

THE HONOURABLE THE PRESIDENT: The Council will now resume the adjourned debate on the *Resolution of the Honourable Mr. Rangaswami Ayyangar, on the subject of unemployment.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, so far we had two classes of criticism regarding this proposal, which appear to me somewhat antagonistic to one another and therefore destructive of one another. One Honourable Member suggested that this is a matter for the Local Governments, and another was inclined to look upon it, not as practical politics, but more as academic and theoretical. It is impossible to deny, Sir, that there are important Provincial aspects appertaining to this question, as there must be with regard to all questions of this kind. That by itself does not

* "This Council recommends to the Governor General in Council that the problem of unemployment in India be seriously considered and satisfactory remedial measures be adopted."

[Dr. Sir Deva Prasad Sarvadhikary.]

bar out consideration by the Central Government if there is cause to the contrary. But if the contention is really well grounded that the Resolution has only local aspects and no Central Government aspects, I should have thought, Sir, that it would not have been admitted because I do not understand that you have set up an unemployment bureau and would allow inadmissible propositions to come before this House by way of creating work for it . . . .

THE HONOURABLE THE PRESIDENT: If the Honourable Member will read the rule, he will find that the power to disallow Resolutions on the ground that they deal with provincial subjects lies with His Excellency the Governor General and not with the Chair.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: That strengthens my case better. With regard to the other objection all well thought out and carefully argued presentments of facts could be called essays of one kind or another, and therefore, in the sense that the Honourable Member called the speech in support of the motion an essay, his objection is unworthy of serious consideration. I do not think, Sir, either criticism ought to be allowed to prevail. I do not know what the Government attitude with regard to this question will be. I myself am persuaded that Government will not wholly countenance the proposition that the matter is entirely Provincial, and therefore no concern of this Government, because if we consider what has happened in the past, the Government has recognised, and I believe handsomely recognised, its obligations in the matter. The many Commissions and Committees that we had, the Industrial Commission, the Fiscal Commission, the Railway Commission, the Inchcape Committee, the Food Price's Inquiry Committee, the Tariff Committee and various other inquiries which the Government have undertaken are largely, if not primarily, directed towards the consideration of this all-important question, which, from the point of view of all Governments, must be of absorbing interest. I was somewhat surprised to hear it stated that this question is one of the least urgent in India. Sir, in the West it is not considered to be one of the least urgent. On the other hand, it is considered one of the most urgent blunders in connection with which have led, not only to change of Government, but sometimes even to the fall of Dynasties. I do not think the sentiments of the amiable Queen who said, that, if the people could not have enough bread, there was no reason why they should not have an abundant supply of cakes, will hold good in these days. I do not want to recall to mind sentiments like these, that paved the way for the tumbril and the guillotine in the near past. Unemployment is not a fine art here, as it is in the West, where they have provided elaborate agencies for combating it, which to some of us in the East appear to be almost grotesque. They have not only their poor laws, they have their old-age pensions; their unemployment pensions, medical panels, and other benefits, all for the purpose of combating poverty, sometimes organised poverty. In India the question, though larger, is not so complex because the peoples' needs here are comparatively small. The real trouble, apart from growth in population, appears to be want of organisation with regard to production of wealth and with regard to the distribution of what is produced, and also with regard to appropriation in the best possible way of the resources of the country, which we are at every turn told are boundless under our feet. It is largely a question of

organisation and loss of finance. That organisation involves labour, and, if labour is well organised, it will certainly lead to a great deal of alleviation of the trouble that we are concerned with in this Resolution. There are important inter-Provincial questions, which must be considered from outside the Provinces, questions for example like that of the flow of large bodies of labour from one province to another and of introduction and development of say cotton cultivation and other cultivation on a large scale. Supposing the Provinces were themselves to take up some of these questions and settle them as detached units, I do not think the Jat carpenter and mechanic of the Punjab, and the Sikh motor driver or mechanic from the U. P., and Bihar coolies would have much chance in Bengal.

Take again the Sonthal coolies from Bengal who have now taken the place of our aboriginal agricultural labourer in many places. Whatever reasons may be causing this disturbance in the labour market there, those who know Bengal, and I think I shall have the testimony of two wealthy and influential landlords from Bengal who are with us here, know that agricultural labour for some reason or other is not abundant, and those middle class people who used to depend upon agriculture, not by way of supplementary resources but as a mainstay, find themselves in difficulty in this direction apart from causes like malaria and want of transport. Planters find the same difficulty. The millowner finds the same difficulty, and those who employ domestic labour also find the same difficulty. On the one hand, you have these difficulties—people who want to employ cannot get sufficient labour. On the other hand, assuredly there is a great deal of unemployment and consequent unrest. Now, how to combat this divergent state of affairs and so organise labour that all who want to employ labour can have abundant material and all who want employment can have reasonable facilities must be a matter of statesmanlike co-ordination which the Central Government alone can usefully undertake. It is the case everywhere that all those who want employment cannot have it—at least of the kind and on the terms that they want it. But it ought to be possible for a certain amount of correlation between labour and unemployment and that can be done by organisation to which the Local Governments can certainly contribute I do not think it can be said that the Local Governments have been entirely idle in the matter. We had only the other day the Bengal Middle Class Employment Committee. I am not quite sure whether that Committee has yet reported. I have been trying to get a copy of the report here if already produced and I think Members on the other side of the House have been making similar endeavours with similar success. No report is at all events available here. I saw some reference as to what the recommendation of that Committee was in the newspapers. We had also what is called the Domiciled Community Unemployment Committee. These Committees are appointed but for want of resources, and for want of adequate methods of organisation, the results are somewhat inconsequential.

Sir, I do not want to travel over the general ground of poverty and economic depression in the country. That was very largely brought out in the debate that my Honourable friend, Mr. Sethna, raised the other day. Whatever difference there may be as to the exact figure of peoples' average income, the fact cannot be challenged that a great deal of avoidable poverty is in the country. My Honourable friend read out on the occasion several extracts from the Montagu-Chelmsford Report. There was one

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extract which was not read out which I should like to read. The Report said that the immense masses of the people are poor, ignorant and helpless far beyond the standards of Europe. Well, that may appear to be very appalling, but analysed it is not so appalling as it appears to European critics. We are content with a lower standard of life and therefore to try to raise that standard of living without the ability to meet it does not yet appeal to us. Meet us on our lower standard, enable us to have the bare wherewithals for existence and that for the moment will answer. Even with regard to this, in the words of the Montagu-Chelmsford Report we are helpless. This question was carefully considered by a well known authority writing on Indian famines and this is what he said on the subject.—"Poverty in England or America or Germany is a question of the distribution of wealth; for India it is a question of production." Well that takes us to the larger question of agriculture because the largest portion of Indian labour would naturally be agricultural. I believe the following figures, not taken from the last census report but from the previous one, are generally correct as to proportion. We have in India labour divided as follows:

71	per cent. . .	Agriculture.
12	,, ,, . . .	Industries.
5	,, ,, . .	Trade.
2	,, ,, . . .	Domestic service.
1½	,, ,, . . .	Professions.
1½	,, ,, . .	Government service or the Army.

Those therefore who would lead the world to believe that the whole of our people are anxiously looking forward to Government employment have no reasons or figures to make good what they are so fond of urging. Another figure we have is that there are more than 40,000 educated people in Bengal wanting employment. And in this state of things what did the Bengal District Administration Committee's report say? Their dictum is very significant from many points of view. I shall read a short extract from that report:

"It became clear that those who had failed to get adequate employment had almost invariably joined the terrorist movement as students to the ruin of their studies. Evidence was not wanting to show that the lot of such men was very hard indeed."

Years later a responsible Government document, the last Quinquennial Progress Report on Education in India, practically endorsed that view on the strength of the Assam report—"Employment proves hard or impossible to get". We had several quotations from "India in 1922-23" in the course of the debate on Mr. Sethna's Resolution the other day. A pertinent quotation on this subject may be made here. "The undeniable poverty of India is not due to her administrative system but to the fact that she is not at present organised for the production of wealth." We need not now and here go into the question of our administrative system for this purpose. We have it on the authority of this document that it is the lack of organisation regarding production that really is at the root of the question so far.

All these considerations would make one believe that although Government has been doing a great deal it is time that, in the language of the Resolution itself, arrangements should be made by the Government for

satisfactory remedial measures. One would have thought, Sir, that following the inquiry that would come after the Taxation Inquiry Committee that was announced the other day, it should not be difficult to take this matter not as a mere side issue but as an important issue connected with the whole question, and if Government is so inclined, without duplicating the machinery for inquiry, this portion of the inquiry may also be well taken up. For all these considerations, Sir, I should be inclined to support this proposal, and, if Government is helpful in this matter, as it certainly has been largely in the past, this inquiry can be taken up and satisfactorily taken up. I think one Honourable Member asked as to what individual Members have been doing in this connection, whether as mill-owners or as landlords or in other capacities. I think it will be found that in many cases—certainly in the case of the Mover of this Resolution who was challenged—much has been done. I would therefore urge on the Government to accept the Resolution. Probably a few words added would meet the points that have been raised and I suggest the addition of the words " in conjunction and consultation with the Local Governments concerned." That, I think, would meet the requirements of the case better and will probably be also acceptable to the Government. If, therefore, Sir, I have your leave, I should like to add to this Resolution words to the following effect: " in conjunction and consultation with the Local Governments concerned."

THE HONOURABLE THE PRESIDENT: Amendment moved:

" That at the end of the Resolution the following words be added : ' in conjunction and consultation with the Local Governments concerned '."

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): I rise, Sir, for the sole purpose of indicating the position of Government with regard to the amendment moved by my Honourable friend, Dr. Sir Deva Prasad Sarvadhikary. We do not in so far as Members of the Executive Council are concerned, propose to take part in the division on this amendment Other official Members will be at liberty to vote as they like.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, I quite admit—and it does not require others to tell us—that this problem of unemployment is one which bristles with many difficulties. The problem of unemployment is by no means confined to this country. In the West it is a very serious problem, and in India I think we are beginning to see the trouble of it. I was told by a distinguished friend here the other day that this problem was not so serious that the Council of State should engage itself in considering it. I cannot conceive of a more erroneous view of the situation. It is wise statesmanship, not to say ordinary prudence, to realise that if there is any trouble at all, it is much better to tackle it at the beginning rather than allow it to take a shape which afterwards might result in serious consequences. When this question of unemployment was referred to by my Honourable friend, Mr. K. V. Rangaswami Ayyangar, it was somewhat unfortunate that certain remarks which he made about the Retrenchment Committee and other things should have been availed of by other speakers to oppose the proposition itself. I think it is but fair in the interests of the question itself and in the larger interests of the country that the question should be considered *apart and distinct* from the reasons that have been urged by the Honourable Mover in support of his proposition. I was talking only recently to a high European official in the Madras Presidency who is engaged in the

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work of education, a very sincere and true friend of the people, and asked him to give me his views upon the subject of the problem of the educated classes. He told me at once that in his experience of over fifteen years the problem, which had seriously confronted him and which had seriously been pressed upon his attention, was the problem of the educated unemployed not only in the Presidency of Madras, with which he and I am particularly acquainted, but in other Presidencies also. I know a number of young men in the Madras Presidency in various capacities myself and I am also acquainted with the educational work and institutions there. There is a considerable amount of difficulty for educated young men to find employment. I may state at once—and I think any one who knows my own career will not for a moment suspect that I am urging that large numbers of educated men should go to Government for service. I have discountenanced the idea from the very beginning and I am doing it even now with regard to those with whom I am intimately connected. But the question which I am anxious to press upon the attention of the House is this, that much of the difficulty of unemployment with regard to the educated youths of the country is due to the fact that our education has been mostly literary. Government might have had some reason in the early years of its administration for giving a purely literary education; but it has absolutely no excuse now for not providing scope for a very large measure of technical instruction and for not establishing technological institutes which will give ample opportunities for young men in this country to utilise their energies, their abilities, their talents and also, if I may venture to say so, the wealth which some of them do have and which they do not know how to use but which their parents would very willingly give them leave to use if they only had the proper education and equipment in a technological institute.

It has been said that it does not concern the Central Government. That may be right in one sense. But any one who realises his responsibility to this country cannot shut his eyes to this problem on the plea that this is a matter entirely for Local Governments. I quite admit that in regard to details the local conditions of each province will have to be taken into consideration. But I think the Imperial Government has a responsibility in this direction and I feel that it should, if it has not already done so, give a direction to the various Local Governments to give increased attention to the question of vocational training and also endeavour to find means and measures which will ensure the establishment of more than one technological institute in this country. If I take part in the discussion upon this question, it is because I feel that the consideration of this question has afforded me an opportunity of drawing public attention to what I consider to be a great evil in our present educational system, a system of chiefly literary education, which, whatever justification it might have had in the past, is certainly not needed to the same extent now. It is a very significant commentary upon the progress of education in this country and upon the opportunities which the authorities give to our young men that most of them, who are anxious to turn from a purely literary to a technological career, have to leave their own motherland and go to other countries, like England, America and Japan. It is a somewhat sad commentary, that after so many years of education, so many of our young men should be forced to tear themselves away from their homes at considerable risk to themselves and their parents and go abroad to study these subjects. I wish this House, Sir, fully to realise its responsibility in this direction.

I feel—and I am stating the bare truth when I say this—that men of all sections and parties and creeds feel that perhaps a good deal of the discontent in this country is due to the fact that there are large numbers of unemployed educated young men. For my own Province, I may say that I think that year after year there are at least some thousand youths who do not pass the school final examination; you have a smaller number than that who come up to the University and fail at the entrance examination and a good number who pass the B.A. examination. Most of the graduates turn to the law as a career, because they have nothing else provided; while in other countries there are other institutions to fit in with their aptitudes. This country seriously lacks such opportunities and, while great efforts are being made in other directions for uplifting this country, I feel—though I am alive to some small measures which have been adopted now and then—that we must make an attempt to have more than one big technological institute, where young men could find opportunities for their talents and for diverting themselves from a purely literary to a practical career. If the consideration of this question will at least open the eyes of the authorities to what I consider is a very sore need, I feel that this debate would not have been in vain.

Sir, with regard to the second part, the problem, if I may say so, of unemployment among the people, I admit, it is a very serious one and should be considered very carefully. But I feel at the same time that it cannot be solved by the State alone. In no country is that problem tried to be solved exclusively by the State, and I do not believe any responsible man will say that it is the duty of the State and the State alone to solve that problem. I think the responsibility for it lies also on the shoulders of large capitalists and rich men who ought to form themselves into associations and companies, for promoting industries which will improve the material wealth of the country and also afford employment to a large number of people who are otherwise thrown out of employment. Now, one of the saddest features of our present situation is,— and those who have anything to do with labour or those who are compelled for one reason or another to come in contact with village labour know it,—that, except during the harvesting season, the bulk of the people who are engaged in the cultivation of their lands are thrown out of employment. I do not in the least suggest that Government is responsible for such a miserable condition. There are a number of causes which have contributed to it, but, if Government and non-officials, capitalists and large landholders, and those who have any inclination to help their poorer countrymen could be brought together to consider this question, I think the trouble taken in that direction will not have been in vain. I admit, Sir, that the proposition, as drafted, perhaps imposes too large an order upon the Central Government. I had myself intended to move an amendment that the matter should be referred to Local Governments for consideration with a view to remedial measures being adopted, but, after the amendment which has been moved by my Honourable friend Dr. Sir Deva Prasad Sarvadhikary, it seemed to me to be quite unnecessary.

May I, Sir, add a word to what has fallen from the lips of the Honourable the Leader of this House? This is a very difficult question and also a very vital question. It will certainly not be considered satisfactory by Members on this side of the House to be told that the Honourable Members of the Executive Council do not propose to take part in the discussion or to vote either way. I do expect, Sir, in the consideration of such a vital

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problem like this, all Honourable Members, both on this side as well as the other side, to put their minds together, because it is a problem which affects the interests of the country, and it cannot be said that we alone on this side of the House have an interest in this question and that the Members of the Executive Council are not interested in it or do not want to take part in the discussion. I would rather like that the whole question should be fully discussed by every Member of the House. I daresay that there are many gentlemen on the other side who are interested in this matter. Therefore, Sir, I would certainly consider it a great pity if, in the consideration of such a vital problem, which affects the welfare of millions of this country, the Honourable the Leader of the House should say that he and his Colleagues would neither vote nor take part in the discussion and that we on this side can vote as we please and that other officials should be left to themselves. It is certainly not a very pleasant spectacle to contemplate . . . . .

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I am afraid, Sir, my Honourable friend Mr. Natesan has entirely misunderstood what I said. I did not say anything about taking part in the discussion. My statement related merely to voting, that, in the matter of voting on the amendment moved by the Honourable Sir Deva Prasad Sarvadhikary, Members of the Executive Council will not take part and other official members will be free to vote as they like. With regard to taking part in the discussion, I did not make any statement.

THE HONOURABLE THE PRESIDENT: I should like to be informed in the first place who is the Member in charge of this Resolution on behalf of Government?

THE HONOURABLE MR. A. H. LEY: I am, Sir.

THE HONOURABLE MR. G. A. NATESAN: I stand corrected with regard to the first part of the observations of the Honourable the Leader of the House, but my remarks on the second portion still stand.

THE HONOURABLE MR. A. H. LEY (Secretary, Industries and Labour): Sir, I feel it very difficult to approach the subject-matter of a Resolution of this kind mainly owing to its very wide and general terms. There are a thousand aspects of the question, and it is very difficult to talk on a general subject of this nature without either being unnecessarily diffuse or straying into aspects of the problem which, from the point of view of the power of the Central Government to find a remedy, will not repay discussion. I do at once wish to say that Government, and I think, everybody, are aware of the seriousness and importance of the problem. After all, it is a question which is exercising the minds of almost every Government in the world at the present time. At the same time, I think that we must not lose altogether our sense of proportion in this matter. I understood from the Honourable Mover of this Resolution that he attacked the position in the first place from the point of view of the Inchcape Committee. I did not quite gather what his intention was, whether Government was expected to put back all their servants who were retrenched on account of the Inchcape Committee's Report. I imagine that is not his intention. He did say that the Government should, in filling up appointments hereafter, give preference, as far as they could, to servants of the Government who had been retrenched. That of course is being done and will be done, but that does not really touch the problem at all. To suggest that there is really a serious question of destitution raised by the retrenchment of

Government servants is, I venture to think, to use language without meaning. After all, if you add up all the officers of Government who have been retrenched all round including the State Railways and Telegraphs and every department of Government, you would not get a sum which would be anything like equal to the number of people who are destitute in a single one of the numerous industrial centres in England.

Now let us try and survey the problem from a rather broader point of view. When we begin to talk about unemployment in the Western sense of the word, we are thinking, primarily of industrial unemployment, unemployment among men who are accustomed to work in factories, mines and in other forms of industrial occupations. That, Sir, is a problem of exceedingly great seriousness in other countries, but not so in India. The problem of industrial unemployment is not so much to the front in this country, partly for the very simple reason, I think, that, as remarked by my Honourable friend, Sir Deva Prasad Sarvadhikary, generally speaking, the demand for labour exceeds the supply. That is a general remark. I quite admit that there may be local and temporary exceptions. But, generally speaking, the demand for labour exceeds the supply, and consequently the result is that, as a general question, industrial unemployment in this country is not a subject of very serious importance. I do not want to go into the causes of that. The causes are, I suppose, ultimately what I might describe as the fluidity, the want of stability, of Indian industrial labour at the present time. As we all know, the industrial worker in this country is primarily a cultivator only, secondarily an industrial worker. He goes back to his fields at his will after working in an industrial centre for some time, and this want of organization or want of stability in Indian labour, I think, has two results. The first result is that generally speaking, as I have said, the demand for labour exceeds the supply, and in the second place it has this result that, if you attempted to solve the problem of unemployment, if it did arise, it would be very difficult, almost impossible, to apply the kind of remedies which are applied in countries where industrial labour is more fully organized. I shall probably mention that point again a little later on. That is one form of unemployment, the most serious form of unemployment in Western countries. Then there is agricultural unemployment, a question which is, of course, very acute in England too, and acute in local areas possibly in this country, in certain seasons. It is a problem which only becomes serious in India owing to a failure of the monsoon. I do not think we need discuss this at any length. After all we have in this country an organisation and machinery for dealing with agricultural unemployment in famine times, which I make bold to say is not equalled in any other country in the world. It is an organisation and a machinery, the general principles of which, if I read the signs of the times rightly, are being groped after, half unconsciously, in the England of the present day.

I pass from industrial unemployment and agricultural unemployment, which, as I say, are not very serious in this country, and I come to that form of unemployment which I think was the burden of my Honourable friend, Mr. Ayyangar's remarks, and the remarks made by various other Honourable Members in this House. I mean, unemployment among the educated middle class. That is, I admit, a really serious problem, and becoming a more and more serious problem as the days go on. We have not really any statistics of the extent of this unemployment, but I agree that it is serious. My Honourable friend, Sir Deva Prasad Sarvadhikary, referred to the Bengal Administration Committee's Report. That is the

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last report I have seen which made a statistical survey of this particular subject of unemployment in one particular Province, Bengal; which, I think myself is the Province where the question is most serious. There are two very interesting and instructive Chapters at the end of that Report. Of course it was written ten years ago. I would like to quote what they said as to the extent of the evil. They did not find it was so bad then as was generally made out.

"The conclusion" *they said*, "which commends itself to the Committee after full consideration of the evidence is that the educational product, be its quality what it may, has not so far outrun its market."

But they sounded a note of warning:

"The increase in the number of literates in English has hitherto been mainly due to the larger proportion of the higher castes who have taken an English education. If the other castes follow their example, the base of the pyramid will now begin to expand as rapidly as its height has increased in the past, and its volume will be far in excess of anything that merely clerical employment can accommodate; for in no country in the world can there be found so entire an absence of truly industrial employment with so elaborate a system of education."

That was the opinion of the Committee ten years ago. Of course ten years have elapsed since then, and I think their forecasts are being realised now. That is the principal form of unemployment that we have got to consider.

Then, also, I do not wish to pass over one other form of unemployment, equally distressing and equally acute, though probably not so extensive. I refer to the very sad problem of the unemployment in the Anglo-Indian community.

This, Sir, is a general survey of the position as I see it. Now what are the remedies? But, before I get on to the remedies, let me try and explain what seems to me to be the constitutional position of the Central Government and the Central Legislature, to which various Honourable Members have referred, in this matter. My Honourable friend, Sir Deva Prasad Sarvadhikary, stated that this kind of question has been considered by various Commissions appointed by the Government of India in the past, the Industrial Commission, the Fiscal Commission, and so on . . . .

THE HONOURABLE THE PRESIDENT: Would the Honourable Member mind raising his voice? He must remember the Honourable Mover is in some difficulty in that matter.

THE HONOURABLE MR. A. H. LEY: I would remind him that the Industrial Commission reported before the advent of the constitutional reforms, and under those reforms, the welfare of labour, the welfare of the masses, is a Provincial subject, subject however to Central legislation. That is to say, as far as I read it, if it is possible to devise Central legislation to find a practical remedy for this state of affairs, it would be for the Central Government to take action; otherwise the question is a Provincial question. Now I listened very carefully to the speech, as far as I could hear it, of the Honourable the Mover of the Resolution, and of other Members who have spoken on the subject, to discover whether they had any definite suggestions to make as to what the Central Government could do in the matter of legislation. Was any suggestion made? I did

not hear it. Nor do I see myself what can be done at the present time, in the existing state of what I may call the want of organisation of Indian labour. I do not propose to weary the Council by going into the very difficult and intricate question of the poor laws and poor law administration in England, or other countries. I only wish to say this, that it is a problem which, according to modern ideas with regard to this question, has to be attacked from very many different points of view. There are many kinds of unemployment. Unemployment may be due to old age, it may be due to sickness, it may be due to mental or physical incapacity, it may be due to accident, it may be due to vice, and, finally, it may be due to a failure in the supply of work; and this last is what we are really considering. How is this tackled in modern countries? It is tackled, as far as it can be tackled, generally speaking, by some form of national insurance. I think I need not go into that any further now, because it will be obvious that anything of that kind in the existing state of what I have already described as the want of stability of Indian labour is not only premature but quite impracticable at the present moment. What were the remedies which my Honourable friend the Mover of the Resolution suggested in this matter? I could not discover. One point he made was that Government could do a lot by the protection of industries. He did not elaborate that idea at all; he did not say what industries he wanted protected; possibly he was thinking of putting duties on cotton goods, or some other kind of goods, I do not know. How that is going to solve the problem of the want of employment among the educated middle class he did not try to explain, and I am afraid I cannot see how it is going to be done. Then, as far as I recollect, the only other tangible suggestion I could get from his speech was that the State should assist the hand-weaving industry. All I have to say about that is that the question of assistance and training of hand loom weavers is a matter which has been considered by Local Governments. There are various schools of hand weaving, for instance at Serampore and other places. If he wants to go further than that, I suppose he would suggest a bounty on hand woven cloth. I do not know if that was his idea in suggesting State aid for this industry. He did not explain where the money was to come from money which would do something to enrich a particular industry at the expense, probably, of the Bombay mills. He did not explain where the money was coming from. Still less did he explain how that is really going to assist the class, which is really seriously unemployed, the educated middle class.

He made a rather violent attack on Government as to their responsibility in this matter, what he called culpable indifference to this problem. I suggest that there is nothing in it, and I think the hollowness of his attack is exposed by the barrenness of his own suggestions. As one speaker—I think again it was Sir Deva Prasad—said this is a question after all which has been exercising the minds of Governments for many hundreds of years, and it is out of the power of any Government really to effect a solution. If he studies the history of the question in England and in other countries, I think he will see the force of that remark. Let me just read to him an extract from the writings of one of the most clear-sighted and far-seeing authorities on this subject—I refer to Edmund Burke. Writing in 1795 in a pamphlet called " Thoughts on Scarcity " Burke said this:

" To provide for us in our necessities is not in the power of Government : it would be vain presumption in statesmen to think they can do it. It is in the power of Government to prevent much evil : it can do very little positive good."

[Mr. A. H. Ley.]

Those, Sir, were Burke's words, and I venture to think that they are just as true to-day as when they were penned. It is a question which is very serious, on which Government must consider what they can do in the way of remedial measures. There I agree, but you cannot expect them to be able to prevent unemployment.

Now I should like to go back for one moment to the question of Local Governments. The amendment, as far as I understand it, is all very well as it goes. Of course it is a question for consideration by Local Governments. But I think it rather suggests that the Local Governments are not already fully alive to the seriousness of this trouble. If it does suggest that, then I for one entirely disagree.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I did not.

THE HONOURABLE MR. A. H. LEY: I did not say you did so personally, but the amendment does lend itself to the view that the Local Governments are not doing all they can.

THE HONOURABLE MR. G. A. NATESAN: It simply says "in conjunction with Local Governments".

THE HONOURABLE MR. A. H. LEY: We do know that the Local Governments are fully alive to the seriousness of this trouble. My own view is that it is a more serious trouble in Bengal than in any other province. I do know however that the Local Government have been considering this question there. I do know they have appointed an Unemployment Inquiry Committee, to which my Honourable friend referred. I have not seen the report of that Committee yet. As far as I know, it has not reported yet. But they are going into the question, to see what remedial measures can possibly be undertaken. It is useless for us to suggest to them that they should do so over again. And there are of course various local organisations attacking this problem. There is a Bengal Unemployment Relief Committee—I think my Honourable friend referred to that too,—which has done a great deal of good, in individual cases, specially among the Anglo-Indian community, though not only the Anglo-Indian community. There are schemes for colonisation,—the Honourable Mover of the Resolution referred to one, which I believe is being sponsored by the Calcutta University,—schemes of colonisation for the educated classes on the land or in other forms of industrial and agricultural pursuits. Those are measures which are being taken and are being considered, and everything that can be done, I maintain, is being done by Local Governments, by local authorities and by private parties. Therefore I think there is no necessity to suggest that it is a question to which Local Governments are not fully alive.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: For the purpose of co-ordination is what we suggest.

THE HONOURABLE MR. A. H. LEY: I should like to say one word about that question of co-ordination. I did not quite follow precisely what Sir Deva Prasad Sarvadhikary himself suggested. Did he suggest employment agencies? It is not to my mind a question of employment agencies. The difficulty is not really to get the man who wants work into touch with the employer who wants to give him work The real difficulty is that

there is not a number of employers sufficient to find work for him. That is the difficulty. Employment agencies do a certain amount of good, but they cannot solve that problem. And really, Sir, when you come to the root of the matter, it does seem to me that, although all these efforts which are being taken in hand locally, whether by private or public agencies, are of obvious value, they are only palliatives of a disease for which it is very difficult to see the ultimate remedy. As I see it, there is only one ultimate remedy, and that is the industrialisation of the country,—the turnover of men of the class whom we have been considering from clerical and professional to industrial and commercial occupations. That involves a change of habits, a change of psychology, which I am afraid can only be a question of years—years possibly of pain, suffering and endeavour. And let me support my remarks on this point by just a small quotation from the views given by a very distinguished Bengali gentleman to the Unemployment Committee in Bengal. He said he thought that if Bengalis could secure for themselves the trade and the commerce of their country to a greater extent, the question with which the Committee was confronted would never have arisen. No country could thrive on clerkships or on the depravity or disease of their fellowmen by providing a few lawyers, public servants and medical men. The Bengali *bhadralog*, he went on to say, lacked the tradition for commercial and industrial pursuits, due to the fact that other ideals had so far held the field. Naturally they were shy to embark on a future so entirely uncharted and foreign to them. And regarding remedial measures, he suggested the gradual absorption in new careers of those who had still mental elasticity and their diversion to trade. There was no single remedy, nor could remedy come from one particular source. The greatest importance was attached to a change in the psychology of the people, an earnest desire to capture the trade and commerce of the province and to rely on a commercial career. My Honourable friend Mr. Natesan very rightly referred to the importance of developing industrial and technical education. I quite agree with his remarks. I do not agree with him, however, if he means to suggest that that is a question which has not been thoroughly and carefully considered by the Local Governments. It is a local subject. Under the Devolution Rules it is entirely a provincial subject, which is in charge of Ministers in the various Local Governments; and I leave it to the Council to decide by their votes whether they think that it is a question which it is necessary to bring definitely before Local Governments, or whether they hold the view that it is a question to which Local Governments are already fully alive.

12 NOON.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, the Resolution as it reads very clearly indicates that the Honourable Mover is of opinion that very considerable unemployment prevails in the land. I for one hold, and I believe everybody conversant with Indian conditions will hold, that there is general poverty in the country; but I do not think we can endorse with equal readiness the statement that there is general 'unemployment' in the sense that we understand that word. For confirmation of what I say I would refer to the quotation given by my Honourable friend, Sir Deva Prasad Sarvadhikary from "India in 1922-23." His quotation was that Indians are "poor, ignorant and helpless." The same authority does not say anywhere in that volume, so far as I remember, that there is general unemployment in the country.

[Mr. Phiroze C. Sethna.]

The Honourable Mover did not make it very clear whether he laid greater stress on unemployment amongst the literate classes or amongst the labouring classes. I take it from the tenor of his speech that he referred to both in an equal degree. He dwelt at some length on the recommendations of the Inchcape Committee as the result of which several educated men were thrown out of employment. To ask Government to re-instate those men, as I understood him to say, would be stultifying ourselves, inasmuch as only eighteen months back this House and the Assembly both earnestly requested Government to bring about retrenchment in Government establishments. If Government have done so and have thereby reduced expenditure, I say that we will be stultifying ourselves if now we make a demand, such as is asked for by the Honourable Mover.

The Honourable Mover was supported to-day by statements of the Honourable Sir Deva Prasad Sarvadhikary and the Honourable Mr. Natesan in regard to unemployment amongst the educated classes in Bengal and in Madras. I believe Sir Deva Prasad Sarvadhikary said that there were as many as forty thousand educated young men without employment; and Mr. Natesan complained that the system of education, as imparted in this country in the absence of many technical schools, was such that it brought about unemployment amongst the educated classes. Is the fault entirely with the Government? Or is there not much force in what the Honourable Mr. Ley said a few minutes back? Is it not because in this country there is a great desire on the part of young men to become quill drivers and to prefer appointments in Government offices and other private offices to undergoing a course of study in technical schools and colleges? So far as I know, that was the feeling until lately and that is mainly responsible for any unemployment that may prevail in some provinces. That feeling, I am glad to say, is now being removed. If it was considered *infra dig* for the son of a merchant or of a large land owner to take to technical education some years ago, I say that conditions have greatly altered and they are taking kindly to technical education with the result, as Mr. Ley pointed out, that, if the country is industrialised, much of this unemployment would be removed.

Then, Sir, my Honourable friend referred to unemployment in the case of the Anglo-Indian community which was pointed out in another place by their representative Colonel Gidney. That to my mind is a special case. Previous to now many members of the domiciled community found employment on a very large scale in particular departments of the railways. Things there have also changed with the result that more Indians are employed in such departments; consequently perhaps the members of that community do not find employment as readily as they used to before. That is a special case and requires to be specially dealt with in the special province in which it occurs and I understand from the Honourable Mr. Ley that the case is being considered in Bengal, where it is felt to a greater degree than anywhere else.

I hold, that to talk of unemployment on a very large scale in this country is not altogether correct, if by such unemployment we mean unemployment as is understood in European countries and, particularly, as at present in the United Kingdom. There is much unemployment there and a fear exists in the minds of many of greater unemployment under

certain conditions. In passing, I may observe that there are critics of the Labour Government who point out to them that, should they accede to any further demands made by Indian politicians, conditions in Great Britain would be more serious than they are to-day in point of unemployment. I will quote from the concluding sentence of a very pertinent letter which appeared in "the *Outlook*" which has arrived by the last mail in which this critic advises the Labour Government, as I have already said, not to help Indian politicians by any further concessions, because the result would be greater trouble at Home. I give his words:—

"Nor does Labour in the least appreciate what even temporary chaos in India would mean to it and the loss—or partial loss—of the one great market still left to us. Unemployment would increase by leaps and bounds and Britain which is shorn enough now, would be so shorn as no longer to count."

Fortunately, no such unemployment exists among us and I hope it will not be here for ages to come. But, if there is any appreciable unemployment amongst the labouring classes—and I now turn to that part of the Resolution—I should have expected the Honourable Mover to have given us some cases to prove his point. What does my Honourable friend do? He only gives us one instance and he could not have chosen a worse instance. He quoted unemployment amongst the mill-hands of Bombay. My Honourable friend, Sir Arthur Froom, has met that charge. There is no unemployment in the mills of Bombay. All the mills are open to the mill hands if they choose to come, but just at present they do not choose to come and work. The cotton mill industry like other industries has its cycle of good years followed perhaps by cycles of bad years. The cotton mill industry had its years of boom and prosperity, when not only did they give a very considerable increase in wages which was perfectly justified because of the increase in the cost of living, but they also gave one month's pay in the year as bonus. Times have changed. We are now in a cycle of bad years, when the mill industry is by no means doing well. In fact it will be no exaggeration to say that the cotton mill industry at the present moment is passing through times such as it has never known before in its long history. Are the mill owners not justified, therefore, in withdrawing the bonus? Did they not give intimation of their intention as far back as June 1923 that they will not pay the bonus in January 1924? It is because they did not pay the bonus that the mill hands chose to go out. I would even say that the mill agents would be perfectly justified, if they chose to do so, not only in not paying the bonus, but also in decreasing the wages owing to altered conditions. That was the fear in the minds of many of the mill hands. I would like to quote from "Commerce" of 16th February which I have received to-day in which the bonus question is very clearly explained as follows: "The question is one of *profits* and *goodwill* and no undertaking can be given."

THE HONOURABLE THE PRESIDENT: The Honourable Member should not stray too far from the subject-matter of the Resolution. We are not discussing the Bombay cotton strike now.

THE HONOURABLE MR. PHIROZE C. SETHNA: My point is, Sir, that the Honourable Mover has quoted one solitary instance of unemployment amongst the labouring classes and that instance was in regard to the Bombay mill hands. I want to show that the Bombay mill hands could find ready employment if they choose to return. I can only refer my

[Mr. Phiroze C. Sethna.]

Honourable friend to the telegram which has appeared in this morning's papers from Bombay which says that:

"according to the notice given by the mill owners of the mills in the city, all the mills in the city opened this morning (18th instant) and were willing to receive their operatives, but the latter were not in the mood to resume and still insisted on the annual bonus."

I hope that the Honourable Mover is now convinced, after what the Honourable Sir Arthur Froom has said and after the remarks that I have offered to-day, that there is no unemployment amongst the mill hands in Bombay. As my Honourable friend, Sir Dinshaw Wacha, has interjected, there is more looting of shops by the mill hands than unemployment amongst them. They themselves have chosen to go out on strike. There is no unemployment in Bombay. The Honourable Mover has said that there is unemployment in other provinces. I am talking particularly of the Bombay Presidency. I can say of the Bombay Presidency that not only is there no unemployment there, but on the contrary if the Honourable Mover and those who support him, like Sir Deva Prasad Sarvadhikary and Mr. Natesan, are pleased to send over a few thousands from their Presidencies they will find ready employment for them in Bombay. It is also a well known fact that in the monsoon all our mills work short-handed, and we would welcome the presence among us not only of hundreds but of thousands of workers. Therefore, the question of unemployment if it exists, does not affect all provinces alike, and nobody seems to realise that more than my Honourable friend the Mover of the amendment does. For what is his amendment? He says that the Government of India should adopt measures "in conjunction and in consultation with the Local Governments *concerned*." Consequently, it is clear in his mind that all provinces are not affected but some or he would not have used the words "Local Governments *concerned*." Therefore if there be unemployment anywhere about which the Mover and his friends are satisfied, then, as the Honourable Mr. Ley has pointed out, it is perfectly open to them to make representations in their own provinces to remedy this state of affairs. I hold, Sir, that there is no unemployment in the land in the sense that we understand the word 'unemployment' elsewhere and, as my Honourable friend the Mover has tried to make out, but I would certainly advise him and those who support him that, if there is unemployment in certain provinces, they should send their unemployed over to Bombay and I am confident there will be room for many to be taken up in its industrial concerns. In Bengal I believe unemployment is only among the educated classes. There as well there are also many industries which would welcome the presence of more labourers from other provinces. I think if any of the provinces are faced with the problem of unemployment, the Members of those provinces should take up the matter with their own Provincial Governments and that this is not a matter for the Central Government, as is contemplated in the Resolution and the amendment.

THE HONOURABLE RAJA SIR RAMPAL SINGH (United Provinces, Central: Non-Muhammadan): Sir, the Resolution before the House naturally leads one to the question—"is there unemployment in the country; and if so, is it of so extensive a nature and to so appreciable an extent as to warrant serious consideration of the Government and the application of prompt remedial measures for relief?" I am not prepared,

Sir, to create any nervousness or grave anxiety in the mind of the Government or of this House by depicting in lurid colours the conditions prevailing as far as the question of unemployment is concerned. There is some unemployment, no doubt, but the conditions are not so grave and serious as the Honourable Mover would have us believe. In a vast country like India with an appallingly poverty-stricken population it is beyond expectation, it shall remain beyond expectation from any Government, may it be Swaraj or a foreign Government to provide occupation in every nook and corner of it for every individual—male or female, young or aged. But at the same time, no one for a moment can question or doubt that it is the bounden duty and unshirkable obligation, which no Government worth the name can afford to ignore, to devise measures and to provide means and facilities not only for occupations for the people but also for their material uplift and amelioration. It is a general belief—and I also share it —that the Government have done little, if at all, to raise the material condition of the country. The general population is steeped in penury and indescribable poverty; that that is its lot cannot be too highly exaggerated. It is to the natural resources of the country, it is to some social customs and practices and above all to the instinctive self-contentment of the people and low and humble standard of living to which they still adhere that the question of unemployment has not yet appeared in that acute form in which it is being faced in the countries of the West which are rolling in wealth. With all the statesmanship and talent that the European countries command, with all the wealth that they enjoy, this question has baffled the brains and intellect of those countries and it is still unsolved, and since the end of the great war, has come to the forefront in all its nakedness. Those are small countries and are wealthy enough to feed the population. If once India has to face that question in its acute form which God forbid, the whole fabric of society will be shattered and all tranquillity will be lost and things would become so unmanageable that no measures would prove efficacious in combating it. No doubt, things are drifting towards that direction and, if the Honourable Mover means to forewarn the Government, I am at one with him. It is high time that the Government should direct its attention towards this problem and should nip it in the bud before it assumes an ugly shape. Now, Sir, it is as clear as daylight and nobody can venture to deny it, that India is very poor,—the average income per head of the population is barely enough to eke out one's existence. It is incumbent on the Government to see how that income is to be augmented. It is the foremost duty of the Government to see to the economic betterment of the country. Unless there is material improvement in the country, unless the economic condition improves, it is a sin to set up better standards of living which the people have no means to attain. It is a very legitimate and worthy desire of the Government to raise the standard of living; it is praiseworthy to set up better standards of existence, but, when the people have no means to achieve that standard, when they are so poor that it is impossible for them to adopt that standard, I say, Sir, that when their abject poverty wholly precludes them from reaching even the fringe of that standard, your worthy desire, your setting up higher standards are sure to get not only frustrated but will create discontent and stimulate unemployment in the country.

Now, Sir, we have to see what classes of people are greatly suffering for want of employment. It is the educated classes. It is they whose ambitions for better living, better conditions and better material prosperity have been excited but means are wanting, openings are too few, for the

[Sir Rampal Singh.]

realisation and satisfaction of those ambitions. Our universities, colleges and schools turn out thousands and thousands of young men who have no avocations to adopt but to run from door to door to seek Government service. [*The Honourable Sir Dinshaw Wacha (Bombay: Nominated Non-Official)*: "They become Swarajists."] It is but a truism to say that Government cannot provide them with service. Remember they are the products of your own creation and they have expended thousands and thousands of rupees and their best energies to reach that stage, and, having reached that stage, they are denied the means to recoup even what they had spent on their education. It is the educational system that is the root cause of unemployment at the present time. (*The Honourable Sir Dinshaw Wacha*: "Question?") I am not to be understood as in the least advocating the closing of these colleges and schools. Nothing of the kind. What I am advocating is that the colleges and schools should send forth men who may be able to stand on their own legs and not be seekers of service either under Government or private employers. They do not get education of the proper sort which can stand them in good stead in after life and thus unemployment is on the increase.

My friend the Honourable Mover has criticised the Government on their action in dispensing with the services of certain hands for the sake of economy and retrenchment in expenditure. I do not believe my friend was quite serious in his observations.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR: Quite serious.

THE HONOURABLE RAJA SIR RAMPAL SINGH: No Government have a right to entertain a single hand more in service than what may be needed and I would recommend further retrenchment if possible. The Honourable Nawab Sir Zulfiqar Ali Khan in his observations on the Resolution the day before yesterday invited the attention of the landlords towards the poverty of the *Kisans* in the United Provinces and East Bengal. Without meaning in any way to controvert him I may be allowed to observe that indebtedness and indifference towards the poverty of the people are now-a-days the fatality of the landlords, and the Government which professes itself to be the chief and the biggest landlord of the country are not free from that fatality.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I move that the question be now put.

THE HONOURABLE THE PRESIDENT: The question is that the question be now put.

The motion was adopted.

THE HONOURABLE SIR NARASIMHA SARMA: (Member, Education, Health and Lands): Sir, I did not want to interrupt, but the charge may be made that I have not risen to reply to Mr. Natesan.

THE HONOURABLE THE PRESIDENT: I am sure the House will greatly deplore not having heard the Honourable Member but the motion it has just passed has that effect.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR: Have I the right to reply?

THE HONOURABLE THE PRESIDENT: Not after the closure has been carried.

The question is:

"This Council recommends to the Governor General in Council that the problem of unemployment in India be seriously considered and satisfactory remedial measures be adopted,"

to which an amendment has been made:

"That at the end of the Resolution the following words be added:

'in conjunction and consultation with the Local Governments concerned'."

The question is that that amendment be made.

The Council divided:

AYES—12.

Abdul Karim, Maulvi.	Rampal Singh, Raja Sir.
Ayyangar, Mr. K. V. R.	Raza Ali, Mr.
Karandikar, Mr. R. P.	Sarvadhikary, Sir D. P.
Khaparde, Mr. G. S.	Sastri, Rt. Hon. V. S. Srinivasa.
Muhammad Hussain, Mr. Ali Baksh.	Sinha, Mr. Sukhbir.
Natesan, Mr. G. A. A. A.	Vedamurti, Mr. S.

NOES—13.

Akbar Khan, Major.	Rafique, Sir Muhammad.
Barron, Mr. C. A.	Ray, Raja P. N.
Briscoe, Mr. H. K.	Sethna, Mr. P. C.
Dadabhoy, Sir Maneckji.	Stow, Mr. A. M.
Harnam Singh, Raja Sir.	Wacha, Sir Dinshaw.
MacWatt, Major-General R. C.	Zahir-ud-din, Mr.
McWatters, Mr. A. C.	

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The question is that the following Resolution be adopted:

"This Council recommends to the Governor General in Council that the problem of unemployment in India be seriously considered and satisfactory remedial measures be adopted."

The motion was negatived.

RESOLUTION *RE* CHILD WELFARE MOVEMENT.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): Sir, I beg to move that:

"This Council recommends to the Governor General in Council that, in view of the great public utility and beneficence of the Child Welfare movement started by Her Excellency the Countess of Reading, he may be pleased to take steps to secure for it generous financial help from Imperial Funds."

Some Members might say or might think that this Resolution is not of much importance and there is no reason why financial help from Imperial Funds should be sought for; but if they will consider the question a little deeply, they will find its importance. Child welfare in this country is or has been quite neglected. We find the death rate of infants in this country is not less than about 200 per thousand of infants up to the age of one

[Lala Sukhbir Sinha.]

year. In many of our big cities the death rate goes up to 800. I will just give some figures quoted by Sir Frederick Whyte at the time of the Baby prize distribution, from which Honourable Members will come to know the high death rate among infants. But what I want to say is this—that when infant mortality in this country is so high and when child welfare is so much neglected, how can we expect strong and healthy men or women for work in this country? Our nation depends upon the welfare of our children. If we have strong, well fed, well clad, well trained and well educated children, we shall rise in all respects, as regards political, social and religious movements and developments; but if our children are weak, miserable, how can you expect to have strong minds and brains in them? To tackle this question, the first step taken was by Lady Chelmsford. She started a Child Welfare League, and the object was to take care of children. In addition to that the Countess of Reading has started a Baby Week for the welfare of babies. Those Honourable Members, who were present at the prize distribution at Delhi a few days ago by Lady Reading, might have seen with their own eyes how many ladies were there with young babies in their arms. We were all struck by the interest that was taken in the show and the number of interested gentlemen and ladies we saw at that show. In the stirring speech made on that day by Sir Frederick, he gave us the following figures. In Bengal in 1921 out of every 1,000 babies born 236 died before they were 12 months old. In Calcutta itself the position is worse for out of every 1,000 babies 330 died. Other cities are even worse than Calcutta as, for instance, Poona, where out of every 1,000 babies 876 died. In Bombay city out of every 1,000 babies 667 died. For Cawnpore the figure was 580. But, though the Calcutta figure is less than that of Bombay, it is four times more than that of London city.

From all these figures you will see the abnormal high rate of mortality among babies in India. If we take the average figures, we find that not less that 20 lakhs of infants die in this country every year, and the death rate of children is not less than 197 per thousand. In England it is only 77 and efforts are being made there to reduce even that number. Now, from all these figures and facts, no one can deny that child welfare in this country has been very much neglected; and there are many reasons for that—ignorance, poverty, insanitary environments and some social customs, have much to do with this calamitous result. First, ignorance. Very little is known at present about the upkeep of babies and children in this country. Education and demonstration are required. For that purpose, I think Lady Reading deserves our best thanks and gratitude for starting the Baby League. In the whole country Baby Week was observed, when thousands of women gathered together with their babies, prizes were distributed to such of them as were found better than the rest, and much interest generally has been created throughout the length and breadth of the country among ladies to bring up their babies in better conditions. The second point is poverty. There is no doubt that poverty is prevalent in the country. We have discussed this question in this House recently. Many of us have admitted that there is poverty in the country and this poverty has a great deal to do with the question of the death rate among babies. For instance, if the mothers are not properly fed they cannot give sufficient milk to their infants. There is a great scarcity of milk in this country. It has been admitted even by officials. The late Inspector General of Civil Hospitals admitted in one of his reports that the great

death rate among infants and children in the United Provinces is due more to want of milk than to any other cause. Then on account of poverty people cannot give sufficient clothing to their infants. They cannot keep their houses as sanitary as they ought to be, and, therefore, poverty is the root of all the evils. There is no question about that. But any how we have to tackle this question. The third point is insanitary environment all round houses in cities and towns. Now what we find from these figures is that in the villages and the countryside the death rate is not so high as it is in the big cities and towns in India. Why is that so? It is because the municipal corporations or municipal bodies take care of public streets and public places and so on but they pay no attention at all to private houses. They say that the owners of houses are responsible for the sanitation of their houses, the municipal boards and corporations have nothing to do with it. I have been chairman of a municipality for ten years and I know as a matter of fact that municipal bodies and municipal corporations do not take care of private houses and private sanitation. When people are poor, when they cannot afford to have better ventilation, better drains and better cleaning of their houses, it is the duty of municipal bodies to look after them. I have seen certain houses through which the drains of other houses pass and they could be diverted very easily to other sites. But the municipality said "No, it is a private concern. The man affected should go to the Civil Court and have the drain diverted. The municipality has nothing to do with it." . . . .

THE HONOURABLE MR. G. A. NATESAN: I rise to a point of order, Sir. I think the Honourable Member is entirely irrelevant when he refers to working of municipalities. I think his statement is also mistaken, but I shall speak about this later.

THE HONOURABLE THE PRESIDENT: I do not quite see any point of order, except on the point of irrelevancy. I see nothing irrelevant.

THE HONOURABLE LALA SUKHBIR SINHA: I think it is not irrelevant because the question can be dealt with by municipalities better than by private people themselves.

Then there are certain social questions with which I do not want to deal here, for instance, early marriages and so on. These also have something to do with the high infantile mortality, but these can be dealt with later when the time comes for them. I am glad to say that the custom of early marriage is now gradually dying out and that marriages are taking place now among boys and girls at a later age.

Now, Sir, my only object in bringing forward this motion before this House is to help the Government with our suggestions and advice and co-operation. If we admit that the question is of importance, that it is a national one and that it is our duty and responsibility to look after the children and reduce child mortality and infant mortality, I think it is right to come forward and help the Government in this House and elsewhere as far as possible with advice and suggestions. I know that many of my Honourable friends here will be able to put forward their useful suggestions on this subject. Lady Reading has made a start only to see how the people take to it. When Government find that the people are ready to take it up in right earnest, then I think much better results will follow and the mortality among infants and children will fall and the country be benefited. With this view I have brought forward my Resolution before this Council.

[Lala Sukhbir Sinha.]

As regards medical relief and sanitation, I know that every Provincial Government is taking this question up and the Ministers will give attention to it and will pay money also. But what I find is that, until such movements are financed by the Government of India also and are brought to the notice of the Local Governments prominently, very little will be done. Some Provincial Governments may take it up and some may not; but, when they come to know that it is an all-India question and that the Council of State and others are in favour of it, it will have a great effect upon them. I do not say how much financial help should be given; I am simply drawing the attention of the Governor General to give financial help from Imperial funds as far as may be possible. Therefore, Sir, as all Members are well aware of the national importance of the question, I expect that they will be pleased to put forward their views on the subject with a view to help Government with their advice and I hope that the Government will be able to accept the Resolution as it stands.

THE HONOURABLE MAJOR GENERAL R. C. MACWATT (Director General, Indian Medical Service): Sir, the Resolution of the Honourable Member appears to me to have come at a most opportune time. I find that an English paper has made an attack on the movement. It uses the following words:

> "The difficulties of the Indian authorities are sometimes greatly increased by indiscreet fussiness of well-meaning philanthropic busybodies. Brass band attempts at reform and baby shows of the type which amuse the West should not be tried in the East."

The paper suggests that the Baby Week movement should be dropped. I think, after the great success which the Baby Week has achieved throughout India and in Delhi, a remark of this nature from an English paper is very much uncalled for. The success of the show has surpassed all the expectations of Her Excellency the Countess of Reading to whose enthusiasm as well as that of the workers the success is due. The result is that the public is fired with enthusiasm, a fire which requires fuel to feed it in the shape of continued organised assistance and activity, which necessitates expenditure of money. The Baby Week recently held has taught the workers and the public in general much that will be of value to them in their future efforts. I expressed the hope that the Baby Week would be an annual festival to serve as mile-stones on the forward march of progress. Aristotle has well remarked that the fate of Empires depends on the education of the youth; but we must go further back, to the origin of the youth of the Empire, namely, the parents and infants; because the fortune of Empires should be entrusted to a strong and vigorous youth who are fit and capable of receiving and assimilating education. It is the right of every infant that the best possible should be done for it physically and mentally by the parents and by those interested in social reform and by the State. It behoves every one to lend his aid in any way he can in dispelling the clouds of ignorance, superstition and poverty and to make life as bright and worth living as it can be made for one and all and well equipped for the battle of existence, even though the battle may not always be to the strong. Baby Week and baby welfare are a missionary enterprise with great potentialities for good; and all India—both Europeans and Indians—owe Her Excellency the Countess of Reading a deep debt of gratitude for the impetus she

has given to the movement. The torch has been lighted and we should see to it that it is kept burning brightly to illumine the pathway of the babies of India. For all India, two sums of Rs. 10,000 each, or a total of Rs. 20,000, one from the Red Cross Fund and one from the Lady Chelmsford League, were guaranteed. Every Province and State arranged its own Baby Week. But the Central Office was inundated with applications for advice and assistance from the various local centres. These appeals were in some small way an indication of the enthusiasm with which the scheme had been received. But the clerical staff of the Lady Chelmsford League and of the Red Cross at headquarters, who undertook *gratis* the duties of organizing and guiding, were grossly overworked, and the office work, which, it is anticipated will increase, cannot be carried out in future by these agencies. A permanent Secretary and a permanent clerical staff will become an urgent necessity. I would like to mention in passing that this Baby Week, it seemed to me, was a great binding influence, because all classes co-operators, non-co-operators, Swarajists or whatever each body calls itself, co-operated whole-heartedly in making the Baby Week a success. For the activities of the Central Office we shall require an annual income of say, Rs. 50,000 for running the framework, providing propaganda, pamphlets, exhibits, posters, pictures, books, magic lanterns, etc.—comparatively a very small figure. I should like to give a few figures which I trust will not weary the patience of the House. According to the Annual Report of the Chief Medical Officer of the Ministry of Health for England for 1922, for the quinquennium 1916—1922 the death rate for Infants under one year of age was 90 per 1,000. In England there was no fall in infant mortality of about 150 per 1,000 between 1841 and 1900. Since the latter date the fall has been large, progressive and continuous, until in 1922 it was reduced to 77 per 1,000. Comparison with the death rate of infants in India from 190 per thousand in some localities to 600 and over in others gives one furiously to think. The commencement of the decline in Infant mortality in England synchronises fairly well with the improvements in the general education of the people. In India education is making strides, but progress in hygiene, social and material, and child welfare should advance *pari passu*. In England a large proportion of the fall in infant mortality in the past five years has been due to the various activities of the Maternity and Child Welfare Scheme. At present in England the number of Infant Welfare Centres is 1,946, of which 465 are under County Councils, 783 are under local sanitary authorities and 698 are voluntary. We have much leeway to make up in India, and it remains to be considered from what source the money should be got. We have estimated a sum of Rs. 50,000, but this is merely approximate and the amount required might be less or even a little more.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN (North-West Frontier Province: Nominated Non-Official): Sir, I fail to understand the object of the Honourable Mover of this Resolution when he asks for financial help from the Imperial Government, knowing as he does, the amount of poverty and distress prevailing in the country. May I ask, Sir, if the request of the Honourable Mover is complied with, will it not mean additional taxation on the country? It is well known to the House that all the babies have parents, and cannot these parents look after the nourishment of their own babies? Sir, only just a few minutes ago we were discussing the question of adopting remedial measures for unemployment, and now my Honourable friend from the United Provinces brings forward a Resolution asking for

[Major Nawab Mohamed Akbar Khan.]

financial help for babies of his province. I ask the Honourable Mover to say whether the country has got enough resources to meet his requirements. I for one do not think that the present financial condition of the country would admit of such a proposition being considered. If the babies of his province are not looked after . . . .

THE HONOURABLE LALA SUKHBIR SINHA: No, no, I am not talking of babies of my own province, but the babies are neglected in all the provinces.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN: I admit that. But if the babies in his province are not properly looked after, why should people of the North, especially of the Punjab and the North West Frontier, where the parents are well able to take care of their own children, be made to pay for the neglect of the parents of other provinces . . .

THE HONOURABLE LALA SUKHBIR SINHA: Why should you pay?

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN: It seems to me, Sir, that the question is absolutely a provincial one, because I do not think that Members from the other provinces have ever complained on this score. I would advise my Honourable friend to approach the big landowners, taluqdars and the commercial people of his province and appeal to them, and I do not think they will not respond to him in his philanthropic object.

THE HONOURABLE LALA SUKHBIR SINHA: Is not Government also a landlord?

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN: Yes, but in this case it seems to be purely a provincial question, because we in the Punjab and in the North-West Frontier Province can look after our own children but the United Provinces perhaps are unable to do so. Well, if the parents of the United Provinces of Agra and Oudh are unable to look after babies, I would advise the Honourable Member to cut his coat according to the cloth, and the Honourable Mover of the Resolution should not expect the other provinces to pay for the nourishment of the babies of his province. I would not mind if the Government extends help to the Honourable Member in this matter, but it should not entail any fresh taxation on the other provinces, because my province is a very poor province and we are already heavily taxed, and I do not think that the people of my province would be willing to be again taxed to satisfy the whims of the Honourable Member from the United Provinces in this matter. I would repeat again that I have no objection to financial help being extended by the Government of India provided it does not throw any additional taxation on the other provinces. I beg to submit to this House that the idea of fresh taxation will not appeal in any way to my province. And when I express these views, I have my finger on the pulse of the population of the North-West Frontier Province.

With these remarks, Sir, I am sorry to say that I cannot support the Resolution brought in by my Honourable friend the Member for the United Provinces of Agra and Oudh.

THE HONOURABLE THE PRESIDENT: I see there are several Honourable Members prepared to speak. Is the Honourable Member prepared to take the rest of the debate to-morrow?

THE HONOURABLE SIR NARASIMHA SARMA: I have no objection.

THE HONOURABLE THE PRESIDENT: Has the Honourable the Mover any objection?

THE HONOURABLE LALA SUKHBIR SINHA: If the matter could be settled to-day I should be thankful, as I have to go back to Muzaffarnagar.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, no useful purpose will be served by prolonging the discussion. I do not think there is any difference of opinion regarding the merits of the case that the Honourable Lala Sukhbir Sinha has made. But I understood from his proposition, if I did not misunderstand the terms of it, that his object is to secure generous financial help for the Child Welfare movement. I understand from that that the Imperial Government is requested to make a grant, more or less as a mark of appreciation of this movement and as expressing its conviction that it is a national concern. But I was somewhat surprised to hear the remarks of my Honourable friend opposite (Major General MacWatt) that his object in supporting the Resolution was more or less to make a demand for a sum of Rs. 50,000 for keeping the establishment going for the movement which has been started under the auspices of the Countess of Reading. This proposal does not commend itself to me. It seems to me a sum of Rs. 50,000 for more or less organising and carrying on the work of a central organisation like this is very small when one remembers the movement is one started by Countess of Reading, and there are people, not only in the Province of Delhi, but in other Provinces near to it, who could very well manage to give some regular contributions for keeping this organisation going. And I do hope it is the intention of the Honourable Mover to induce the Government to give some contribution to this Child Welfare movement to make the other Provinces understand that the Central Government views this more or less as a question of national importance. Having said this much, I must take exception to the remarks of the Honourable Lala Sukhbir Sinha when he launched on a diatribe against the administration of municipal corporations. He seems to have been very unhappy in his career as chairman of his municipality. I may say I have been for years connected with the Corporation of the City of Madras and I have very pleasant recollections of it. Let me tell him and the House, in the first instance, that it is some years since we have organised, and organised very successfully indeed, a Child Welfare movement. We have at the head of the movement a distinguished lady doctor; we have superintendents, nurses and midwives, and we are from day to day, consistently with our finances, trying to improve and extend child welfare centres, and it is because we have not enough funds to carry on that work on an improved scale as we would like, that we feel we are handicapped. If, for instance a proposition like this is carried, I take it the Imperial Government will generously and equitably distribute a share to all Provinces that claim it, and that the Corporation of Madras, at least through its Government, will be given a good share because we are not going to experiment on this; we have successfully worked it. We have started an organisation and worked it successfully, and our claim for financial help I think stands on a better footing than others. I would also remind the Honourable Lala Sukhbir Sinha that he is not just to municipal corporations, which are, after all, managed by our own people, when he says they are not interested in sanitation. (*The Honourable Lala Sukhbir Sinha*:

[Mr. G. A. Natesan.]

" Private Houses ".) I think every well organised municipality is expected to supply good lighting, good sanitation and good water supply. If the Honourable Member has in view a large number of small houses in one big compound owned by landlords who accept municipal resources for improving the sanitation and water supply of those particular places, I can only say the municipality is perfectly justified. This is a problem with which we are constantly confronted. There are landlords who are owners of several small houses within one boundary wall. That is to say, 100 small houses in one compound or one place. They will not look to the sanitation of the place, and in some cases they have actually refused to extend water supply or even to build latrines for sanitary purposes. My own municipality compelled some of these householders or landlords to undertake all these elementary requirements. If my Honourable friend refers to things like that, I can only say that his sympathy is given to a class which do not deserve it.

With regard to the Child Welfare movement I have only to remind him again that, so far as the corporations are concerned, whatever may be true of other corporations, so far as the Madras Corporation is concerned, it has started and is to-day working a very good Child Welfare movement. I have in my capacity as a municipal councillor paid surprise visits to these centres and found they were doing really efficient work. With these remarks I give my support to the Resolution, but I do hope he does not think unkindly of municipal corporations.

(At this stage the Chair was taken by the Right Honourable Srinivasa Sastri.)

THE HONOURABLE SIR NARASIMHA SARMA (Member, Education, Health and Lands): May I put the suggestion that, if the Honourable Sir Deva Prasad Sarvadhikary moves his amendment, I could reply to both propositions instead of making two speeches?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): I thought, Sir, the provincial bogey, which has an uncanny method of stalking out in season and out of season with regard to anything with an ultra-central aspect that is brought up here, would have appeared this afternoon in the usual shape and in not the particular North-West Frontier shape to which we have been treated. My gallant friend opposite (the Honourable Major Nawab Mohamed Akbar Khan), who has unfortunately left, described his Province to be poor. I do not think it can be at all poor if all the babies there can be adequately taken care of. My Honourable friend General MacWatt quoted Aristotle and the Honourable Major's remarks came apposite after that. This Spartan treatment which the North-West Frontier Province keep in store for their babies certainly has admirable results, as illustrated by the individual who has objected to " other peoples' babies " being thought of because their own are well looked after.

The object of the amendment which I formally move, namely, to add at the end of the Resolution the following words:—

" with a view of securing better milk supply and other necessaries for babies,"

is to support the principles of the proposition now before the House and to widen its scope in the way that it requires widening, and restrict its scope with regard to certain other aspects. I do not know whether my

Honourable friend representing the Finance Department, a week before the Budget takes its final shape, will be able to recast it so much as to give more than a blessing, if he is inclined to give it for the purpose that this Resolution has in view; I do not know whether it will be fair or right to take Major-General MacWatt's benediction as the Government pronouncement on the subject, and we shall anxiously await what the watchdog of the Finance Department has to say in the matter.

Sir, it is impossible to deny that the movement, inaugurated by Lady Chelmsford and very energetically taken up and continued by Her Excellency Lady Reading, which has covered the whole of the country, has done exceeding good work, and I think it is up to us to recognise that good work by giving it what support and help we can. The movement has spread in all the provinces. The wives of all Provincial Governors—I know particularly of the work of Lady Lytton in Bengal—have been intensely interested and they have whole-heartedly identified themselves with this good work. District exhibitions, sub-divisional exhibitions, demonstrations in the smaller townships, even in villages, have been held in Bengal; and it was only yesterday or the day before that Lady Lytton opened one of the maternity hospitals in Calcutta which I think my friend the Honourable Mr. Natesan might like to go and see on his way back to Madras in order to be able to be acquainted with it before he speaks of the good work that Madras is doing in this direction. I do not envy Madras—I never did so. I am very glad to hear that Madras is doing good work, but other provinces are also doing good work, though possibly not to the Madras extent.

THE HONOURABLE MAJOR NAWAB MAHOMED AKBAR KHAN: No, not all provinces.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Just so. Perhaps there is more scope for some work in the gallant Major's province in spite of the happy and flourishing babies that my Honourable friend has so effectively trotted out this afternoon. But I think we must tackle the question in its very foundations. To have Baby Weeks, exhibitions and prizes for patent milk and feeders and paraphernalia of that kind, is all very well in Imperial cities or Provincial Capitals or even in district towns. Mothers come and enjoy the show and are very interested, as my Honourable friend the Mover has said. But Indian mothers hardly need to be roused to take an interest in their babies. There, Sir, I think he has misjudged his own countrywomen, and I am surprised to hear a good Hindu like him saying that very little is known about baby welfare in India. I certainly claim, on behalf of Hindu India, that he is wrong. I believe I am also right in claiming that on behalf of Muhammadan India.

THE HONOURABLE SAIYID RAZA ALI: But not on scientific lines.

THE HONOURABLE LALA SUKHBIR SINHA: Not in present-day India.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Present day India which is neither fish, flesh, fowl nor good red-herring may have defects from many points of view! Let it be corrected. But the Indian mother knows her duty if not her work. My Honourable friend has suggested that this should be an annual festival. The Honourable Lala Sukhbir Sinha knows or ought to know that the worship of the goddess *Shesti* is an annual festival in all Bengali homes. Care of the baby and the mother and all that appertains to motherhood is the most anxious concern of the household—not merely after the birth of the baby but long

[Dr. Sir Deva Prasad Sarvadhikary.]

before. Want of resources or want of organisation is the real trouble. We have fallen on evil times and evil tongues and have to put up with a great deal. But what about the root causes of this high infant mortality? We have shows and shamianas and banners and leaflets and other propaganda work. I do not say it has not its proper place. On the other hand I think it can do good work and has been doing good work, and I do not grudge the expenses involved by that propaganda work, because there are certain classes of people that can be appealed to by *media* like that and that alone. But when the mother goes to the show and enjoys the exhibition and comes back to her poverty-stricken home, where there is no milk nor linen nor food and she and her children have neither shelter nor warmth, how is that exhibition or that propaganda work going to help her? That is why you have got to dig down to the root of the subject and see that baby necessaries are also provided. Unless that is done, the work that has been so auspiciously begun will be half done, badly done and worse than badly done. That is why, Sir, I suggest that we should indicate the directions in which the movement for baby welfare should expand from more to more and we ask that sufficient provision may be made, so that better milk supply and supply of other baby necessaries may be ensured. That is a large order, I shall probably be told by the Honourable Sir Narasimha Sarma. It is to some extent—in fact to a large extent—a provincial question in many of its aspects. But what we are wanting here is to ask the general benediction and blessing of Government to this movement which will co-ordinate it all over the country. We want to have an indication as the Honourable Mr. Natesan has pointed out, that the Government of India is in entire sympathy with the movement and will do all it can to help the Provincial Governments in ensuring what I aim at, and that is much more than propaganda and exhibition work, namely, better supply of milk and other necessaries of life for baby preservation. I do not want to take up any more time of the House, Sir, at this hour of the day, but I trust that if Government sees its way to making any contribution towards the object we have in view, the contribution will have been well and worthily made.

THE RIGHT HONOURABLE SRINIVASA SASTRI: To the Resolution under discussion it has been moved by way of amendment that the following words be added:

"with a view of securing better milk supply and other necessaries for babies."

That Resolution and that amendment are under discussion.

THE HONOURABLE SIR NARASIMHA SARMA (Member for Education, Health and Lands): Sir, the Honourable Sir Deva Prasad Sarvadhikary asked the Government of India to give a general blessing and I do not think it is possible for the Government to give a general blessing in more eloquent terms than has been given by the Honourable Major General MacWatt. Speaking on behalf of the Department over which I have the honour to preside, the Government are very grateful to Her Excellency Lady Reading for giving the country a lead in this matter. They have realised and do realise the very great importance that the country in general, and the Government in particular, ought to attach to a movement of this description directed to prevent infant mortality, to prevent distress of any description whatsoever and to safeguard the proper development of the future manhood and womanhood of India. They realise the importance of the milk supply to which the Honourable Sir Deva Prasad Sarvadhikary alluded. Efforts

are being made by them, in so far as such efforts are within their province, to help the Local Governments in increasing the milk supply, especially in towns. I am glad that public attention is being drawn to the subject and to the figures which are a serious blot on municipal administration. I feel that, if public attention is drawn to the great infantile mortality which prevails in our large populous and rich cities, great good will be done. The Government are directing research into the problem of an increased milk yield which will receive their best attention; they have taken over from the military administration dairy farms and they are developing their agricultural courses in order to give training to young students in dairy farming, and they are doing all that they can in the direction of improving the milk yield and increasing the pasturage and fodder supply which are needed for a proper solution of this problem. We hope that the public also will take a more real and genuine interest in the subject, form companies and seek the help of Government if land has to be acquired and push on ahead to a solution of this problem, which is such a sore problem, especially in cities. I am glad that the City of Bombay is taking up the solution of this question. I went to Calcutta more than once and sent my expert to see if anything can be done; but so far no efforts seem to have been put forward by the people to take up this question in real earnest. I hope greater success will attend the departments' efforts in future.

While saying so much for the general attitude of Government, you will naturally say " Well, the Government are always ready with their sympathy and with their general blessing; but we want hard cash." I wish it were possible for me as spokesman of the Government to comply with the wishes of the Honourable Sir Deva Prasad Sarvadhikary and the Honourable Lala Sukhbir Sinha. But I regret that the functions which have been assigned under the reforms to the Central Government preclude them from extending any support, generous or otherwise, in this direction. Public health administration and medical administration have been included under the head of Provincial subjects. I have scanned the list once again to see if by any stretch of meaning I could bring this subject under the head of Central subjects. Our Devolution Rules preclude us from utilising any Central funds whatsoever for the purposes which have been described as Provincial subjects, and therefore the Government deeply regret that, however much they may wish to help Local Governments in this direction, they are unable to do so. But I hope that this chilling cold reply on behalf of Government would only induce Honourable Members, both here and elsewhere, and the general public, to increase their efforts for the purpose of meeting the expense of the central organisation to which my Honourable friend, the Director General, has drawn public attention to-day in his speech, and also to assist the Local Governments and to redouble their efforts, especially in the urban areas. I am glad that my Honourable friend, Major Nawab Akbar Khan, has come to the rescue of the Government in taking a correct view of the financial position of the Central Government and, on further consideration, I am sure that all Honourable Members will sympathise with the Government in their inability to utilise Central funds even if such could be forthcoming. Unfortunately, as Honourable Members know, our finances are in such a position that we are at present unable to devote any funds, even assuming that the rules permit us to do so.

I have only one further point to make. The Honourable Nawab should not be over confident in regard to his province; although his province is

[Sir Narasimha Sarma.]

decidedly better than many other provinces, still it records an infant mortality rate of 195 per thousand, and therefore efforts have to be put forward in the North-West Frontier Province as well as elsewhere for the purpose of remedying this evil, and I am sure the stout hearts and the ready organising capacity of the frontier people would be equal to the situation. I do not think, Sir, there is any justification for my keeping you from your lunch any more.

THE HONOURABLE LALA SUKHBIR SINHA: Sir, in the first place I agree to the amendment proposed by my Honourable friend, Sir Deva Prasad Sarvadhikary. I want to say a word about what has been said by my Honourable and gallant friend, Nawab Akbar Khan. He says that a little contribution from the Central Government would result in fresh taxation. I do not know how far he is correct. The income of the Government of India is not less than 130 crores, and out of that, if a few thousand rupees are spent on this subject, would it mean fresh taxation? I put this question to him. That this little demand for expenditure on a national object will mean fresh taxation is rather a surprise to me. That would mean that no suggestions should be made to the Government, Central or Provincial, for expenditure on a new object, for fear of new taxation. We have got plenty of income. What is required is proper distribution of the resources. We do not want fresh taxation, we do not want fresh money for these small things. The Honourable Nawab says that the mortality of babies is greater in the United Provinces than in his own province and therefore I put forward this proposition. That is not the case. The Honourable Sir Narasimha Sarma has pointed out that in his province also the mortality is not less than 195 per thousand. That is four times more than that of England.

I am very glad to know from my friend, Mr. Natesan, that the Madras Corporation is doing good work and I appreciate his work and that of his Corporation, and I wish the other corporations and municipal bodies follow the example set by them. But it does not follow that, if his corporation is doing good work, others are also doing the same. My object was to point out that those who are not doing good work must do that work. Dr. Sarvadhikary referred to poverty. I quite agree with him that poverty is the root of all evils. If people are better fed and better clothed, everything can be set right. But on account of poverty the people are not getting sufficient food; they cannot feed their infants and children properly; there is a great lack of milk for want of cattle and so on; and therefore poverty has a great deal to do with this calamity; and I quite agree with him when he says that the Western system of the upkeep of children and babies should not be introduced into this country wholesale. Of course, I say that scientific methods should be adopted, but simpler and cheaper methods should be adopted so that people may bear the expenses. If expensive methods are adopted, people will not be able to go in for them, and therefore I do agree with my Honourable friend, Sir Deva Prasad Sarvadhikary, that scientific methods should be adopted that are cheap and simple.

There is one more point, Sir. When the Honourable Major Nawab Akbar Khan's province is working at a loss, why should the Government of India pay for that loss? If this principle is to be accepted that every province should contribute for itself, and his province is sufficiently rich enough why should he ask the Government of India to relieve his province?

With these few remarks, Sir, I ask the House to accept the Resolution as amended by the Honourable Sir Deva Prasad Sarvadhikary.

THE RIGHT HONOURABLE SRINIVASA SASTRI: The Resolution before the House is:

"This Council recommends to the Governor General in Council that, in view of the great public utility and beneficence of the Child Welfare movement started by Her Excellency the Countess of Reading, he may be pleased to take steps to secure for it generous financial help from Imperial funds."

Since which an amendment has been moved in these terms:

"That at the end of the Resolution the following words be added, namely, 'with a view of securing better milk supply and other necessaries for babies'."

The question is that those words be added.

The motion was adopted.

I will now put the Resolution as amended which will run as follows:

"This Council recommends to the Governor General in Council that, in view of the great public utility and beneficence of the Child Welfare movement started by Her Excellency the Countess of Reading, he may be pleased to take steps to secure for it generous financial help from Imperial funds *with a view of securing better milk supply and other necessaries for babies.*"

The Council divided:

AYES—8.

Abdul Karim, Maulvi.	Ray, Raja P. N.
Ayyangar, Mr. K. V. R.	Sarvadhikary, Sir D. P.
Karandikar, Mr. R. P.	Sinha, Lala Sukhbir.
Natesan, Mr. G. A. A. A.	Vedamurti, Mr. S.

Akbar Khan, Major Nawab.	Sarma, Sir Narasimha.
Briscoe, Mr. H. K.	Sethna, Mr. P. C.
MacWatt, Major-General R. C.	Shafi, Dr. Mian Sir Muhammad.
McWatters, Mr. A. C.	Shepherd, Mr. W. C.
Misra, Pandit Shyam Bihari.	Singh, Sirdar Charanjit.
Rafique, Sir Muhammad.	Stow, Mr. A. M.

The motion was negatived.

The Council adjourned till Eleven of the Clock on Thursday, the 21st February, 1924.

COUNCIL OF STATE.

Thursday, the 21st February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

ELECTION OF THE EMIGRATION COMMITTEE.

THE HONOURABLE THE PRESIDENT: I have received nine nominations for the Committee to advise on questions relating to Emigration. That necessitates an election, and as papers have to be printed, I think it will be convenient to have the election on Monday.

THE HONOURABLE MR. LALUBHAI SAMALDAS: I should like to withdraw my name from the list of nominations, Sir.

THE HONOURABLE THE PRESIDENT: The House will greatly regret it. Does the Honourable Member persist in withdrawing?

THE HONOURABLE MR. LALUBHAI SAMALDAS: Yes, Sir.

THE HONOURABLE THE PRESIDENT: In that case an election will not be necessary. I therefore declare the following Members elected:—

The Right Honourable Srinivasa Sastri,

The Honourable Mr. G. A. Natesan,

The Honourable Dr. Sir Deva Prasad Sarvadhikary,

The Honourable Lala Ram Saran Das,

The Honourable Nawab Sir Amiruddeen Ahmad Khan Bahadur,

The Honourable Mr. S. Vedamurti,

The Honourable Mr. R. P. Karandikar, and

The Honourable Saiyid Raza Ali.

GROUP PHOTOGRAPH OF THE COUNCIL.

THE HONOURABLE THE PRESIDENT: There are two other small matters I want to draw the attention of the Council to. It has been suggested that Honourable Members would like to have a group photograph taken. I do not know whether that wish is common. Members of the Council will perhaps indicate their views in the matter. I only wish to add that, if Members wish to have it done, I think it will be in the interests of all of us to have it before it becomes too hot. Last year it was excessively hot when it was taken. Would Honourable Members express their views?

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): I think it is all right, Sir. I think there ought to be one.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): I suggest, Sir, that it may be taken during Budget time because we will then have a larger number of Members present here.

THE HONOURABLE THE PRESIDENT: Very well. Secretary will fix a convenient date during Budget time. I hope that Members who do *not* intend to come will kindly notify the Secretary.

PROPOSED GIFT TO THE COUNCIL OF A PAINTING OF HIS EXCELLENCY LORD READING.

THE HONOURABLE THE PRESIDENT: There is one further matter. I have been informed that Babu Devaki Nandan Prasad Singh has obtained permission to present a painting of His Excellency Lord Reading to a public body. The donor is anxious that the picture, when painted, should be hung in the Chamber of this House. As Honourable Members are aware, in our Simla Chamber we already possess a picture of the late Viceroy, Lord Hardinge, and the House would doubtless like to have the picture of another Viceroy. But that is a matter on which I seek the direction of the House. If the House considers, as I have no doubt it will, that the offer now made is a very kind offer, which should be gratefully accepted, we should in the first place communicate this opinion. Then it will be a matter for consideration where this new picture should be hung. I would suggest that, before the House comes to a decision on that point, we should obtain the opinion of the Architect whether the new Chamber in Raisina will be so arranged as to make it suitable for pictures. It is quite obvious that this temporary Chamber is not suitable for the purpose.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, as similar offers may come of pictures of other distinguished Members, etc., in order to provide for the same, I request that the Chamber in Raisina should be so constructed as to allow lots of space for such pictures to be hung.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, if I may venture to say so, the suggestion which you have made is one which I have no doubt will meet with the approval of Honourable Members. I think that it is the best way of proceeding about this business, to consult the Architect with reference to it and then come to a decision.

THE HONOURABLE THE PRESIDENT: Then I will cause the thanks of the House to be conveyed to the donor and inform the parties concerned that the House will gratefully accept the gift. The question where it should be hung will be brought before the House at a subsequent date when we have got the picture. I think the picture is not actually painted yet.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Has the picture been painted, Sir?

THE HONOURABLE THE PRESIDENT: I understand that it has not yet been painted. If we consult the Architect we may be able to suggest that

the picture should be in such a shape as to be suitable for our new Chamber in Raisina. I think we should, if possible, put the Architect and the painter in touch with each other so that the picture may be suitable for the new Chamber.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): May I ask for some information about this donor, as to who he is?

THE HONOURABLE THE PRESIDENT: I am afraid I cannot give you any details. His name is Babu Devaki Nandan Prasad Singh. My impression is that he is a landowner in the Monghyr District. That is my surmise. Some of the Honourable Members may be able to give better information.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Is he not a Member of the other House?

THE HONOURABLE THE PRESIDENT: He has already presented a picture to the other House.

THE HONOURABLE KHAN BAHADUR AMIN-UL-ISLAM (Bengal: Nominated Official): Babu Devaki Nandan Prasad Singh is the son of Raja Sivanandan Prasad Singh who is the son of Raja Camelswari Prasad Singh of Monghyr. He is the nephew of the present Raja Regunandan Prasad Singh, M.L.A.

THE HONOURABLE THE PRESIDENT: The Honourable Member confirms my own recollection.

CRIMINAL TRIBES BILL.

THE HONOURABLE THE PRESIDENT: The Council will now resume the debate on the motion made by the Honourable Mr. Khaparde that the Bill to consolidate the law relating to Criminal Tribes be taken into consideration.

THE HONOURABLE SAIYID RAZA ALI (United Provinces: East Muhammadan): Sir, while introducing the Bill in this Chamber on the 28th of last month (*A Voice*: "We never met on the 28th of last month."), I mean on the 30th of last month, the Honourable Mr. Khaparde's modesty did not allow him to disclose the full nature of the arduous task undertaken by him and others who are responsible for this consolidation measure. In fact, he has not done full justice to himself and his colleagues in explaining the nature of the undertaking that he so voluntarily took upon himself. The Honourable Member contented himself by making a few remarks which went to show that, though the original Act was passed in 1911, it was amended subsequently on three different occasions, and pointed out that it was necessary to do away with scattered fragments of our Statute Law and put them all in one measure. Sir, on a careful perusal of the Bill, it appears that the Honourable Mr. Khaparde has not slavishly copied sections together with commas, semi-colons, colons and full stops from the parent Acts. But the re-arrangement that has been undertaken has necessitated the alteration of language in not a few places. In fact, it appears that the Honourable Mr. Khaparde and his colleagues have gone further and, where necessary, they have not hesitated to put in new words in order to facilitate the working of the Act. Now, let me make it clear that I make no complaint whatever that they have done so.

[Saiyid Raza Ali.]

What I do wish to say is that the work has been performed in such a manner as to deserve careful consideration in this Chamber. This is not the occasion, Sir, to say anything about particular clauses of the Bill. But in order to show that the changes made are more significant than they appear either from the Statement of Objects and Reasons or from the Honourable Member's speech, it would be useful to point out that the old section 2 (*3*) of Act III of 1911 contained the definition of " tribe, gang or class " which Honourable Members will find has been omitted from clause 2 of the Bill which corresponds to section 2 of the Act of 1911. Now, what has been the effect of the dropping of this definition? The effect has been that it has necessitated the insertion of these or similar words in clauses 3, 4, 5, 11, 15 and 16 . . . .

THE HONOURABLE THE PRESIDENT: Did the Honourable Member refer to clause 4?

THE HONOURABLE SAIYID RAZA ALI: I am referring to the clauses in order to show . . . .

THE HONOURABLE THE PRESIDENT: I am only trying to follow the Honourable Member. Did he refer to clause 4?

THE HONOURABLE SAIYID RAZA ALI: I referred to clause 2 of the Bill which drops the definition of . . . .

THE HONOURABLE THE PRESIDENT: I follow the Honourable Member so far, but what I would like to ask is, does he say that the words " tribe, gang or class " are inserted in clause 4 of the Bill. I am merely trying to follow his point.

THE HONOURABLE SAIYID RAZA ALI: I say that these words are similar words. If you refer to clause 4, the words used there in the last line but one are " members of any criminal tribe." These words are new and have been added because the definition of "tribe," as it existed in section 2 of the Act, was done away with. Similarly, Honourable Members will find, if they refer to clauses 5, 11, 15 and 16, that the omission of the definition has necessitated the insertion of certain words. The point is obvious now, namely, if you do not define a thing then you have to use more words in order to convey your idea. Now, the point is not very material. I must make it very clear. The point is simply this. There are two courses either of which it is open to the Council to adopt. Either we should insert the definition of ' tribe or class ' in clause 2 or, if we do not do that, we might follow the scheme adopted by the Honourable Mr. Khaparde. Perhaps the balance of advantages and disadvantages is equal. I do not think there is much to choose between the two. If you omit the definition, you have to repeat these words in so many places, which, of course, is against the canons of legislation, as is known to Honourable Members. If we can have a definition of a certain thing, it is better to have it in one place than to repeat the same idea in more words in a number of places. On the other hand, I am free to admit that the insertion of these words in the clauses which I have mentioned makes those clauses self-contained and complete. So that we can adopt either of these two, neither is very vital. What I want to say is that it is not after all a case of the original sections being copies, word by word.

Then again, if Honourable Members will refer to clause 11, sub-clause (*2*) (*iii*) they will find that there almost two lines have been

omitted as they existed in the original Act. Yet I must say it does not change the sense of the law in any way. I simply want to show how arduous the nature of the work performed by my Honourable and learned friend, the Honourable Mr. Khaparde, has been.

Then we come to another clause which perhaps makes a wider departure from the alleged object of the Bill than perhaps many of us realise, and it is the insertion in clause 23 of the Bill of a proviso which does not find a place in the original Act. The proviso is entirely new. As to what the effect of that will be I will explain, if necessary, when we come to deal with the Bill clause by clause. I just want to show that a rather important proviso has been inserted in the Bill.

Now, I congratulate the Honourable Mr. Khaparde and his colleagues for having done all this. As a matter of fact they have made some other changes also but they are not so vital. But, Sir, what strikes one is that my Honourable friend, after having introduced these various and some of them unimportant changes, modestly says in the Statement of Objects and Reasons:

> "The present Bill which is, save for one slight alteration, purely a consolidating measure, brings the law together in the compass of one enactment. The alteration referred to is the substitution in clause 14 of the word 'who' for the word 'which'. This is necessitated by the fact that, since the enactment of the amending Act I of 1923, individual members of a criminal tribe may be restricted to an area or settled in a place of residence."

It is rather amusing, if I may be permitted to use the word, to find that, having introduced so many changes, having changed whole lines, having inserted an entirely new proviso, the only point that struck the Honourable Mr. Khaparde as worth mentioning is the change of the word "who" for the word "which." Now, perhaps it might be said by some unkind critics that the Honourable Mr. Khaparde having swallowed many a camel has been scrupulous to strain at a gnat. Whether that is so or not is for the Honourable Member to say, but I must say that the changes that have been introduced do not alter the substance of the law in any way. It may be that in one place perhaps it is open to us to follow either of two courses. So far as the rest of the Bill is concerned, having gone through it carefully, I am compelled to say that the work has been done very carefully. The arrangement is more scientific than was the case in the original Act, and therefore I support the motion that this Bill be given due consideration.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): My friend, the Honourable Saiyid Raza Ali has not really found any fault but mention has been made of the fact that I did not take praise enough for myself and for my colleagues. It is due to our modesty.

THE HONOURABLE SAIYID RAZA ALI: I said exactly the same thing.

THE HONOURABLE MR. G. S. KHAPARDE: We did not talk much about ourselves.

The next objection that has been taken is that words have not been copied from the old sections completely but the meaning of them has been taken and that they have been distributed all over the Bill in their proper places. I humbly submit that that is the proper business of consolidation. I do not claim that our Bill is merely a transcript of the old law. We call it consolidation, and consolidation means that you take all the parts and put them in their proper places and put them together so as to be both clear and brief. That being so, I think that task has been well done.

[Mr. G. S. Khaparde.]

Anyhow I can say so now. My friend admits also that it is more scientific, it is more concise, more clear and makes no alteration worth mentioning in the law as it stood when this Bill was undertaken and carried through, that is to say, therefore, that the work of consolidation has been carried out as the work of consolidation is usually carried out. There is nothing specially done.

Then there is a proviso to clause 23 and my friend thinks that it is a new provision. That proviso reproduces the judgments of the Bombay and Madras High Courts. As the clause was originally conceived, a member of a criminal tribe, committing an offence and getting punished, and committing that same or a similar offence again and getting punished, was liable to get a very high sentence, was liable to get an enhanced sentence as it is called. Then the Bombay and Madras High Courts held that those offences which would go to enhance his punishment have to have been committed after 1911, and if before 1911 he committed three offences you cannot say after 1911 that he has already committed three offences. You must take those three offences as one offence and then punish him. So the Bombay and Madras High Courts made the law more lenient and this proviso only reproduces the substance of those judgments or the rulings given and is therefore, if a change at all, not a change in the direction of making the law more severe, but to bring it up to date in the light of the judgments of the High Courts, a procedure which, I believe, is permitted everywhere. The law has been interpreted, the High Courts have interpreted the law in one way and all that has been done is that the High Courts' judicial interpretation has been introduced in the form of a proviso. So there is nothing new that has been done.

Lastly, I am glad to see that my Honourable friend, Saiyid Raza Ali, recognises the work that was done. This work was done by the Statute Law Revision Committee. I cannot take much credit or any credit for the matter of that beyond that I sat there and, while things were being discussed and put into shape, I gave my consent, generally silently and very rarely putting in a word or two. That is all the credit that attaches to me personally. The work has been very carefully done and I found, when I compared these clauses again on the motion of my Honourable friend, Saiyid Raza Ali, that everything that is given here is practically a reproduction of the old law as it stood, as far as possible in the words of the old law itself. He also does not take any objection on that ground nor does he say that there is any change introduced. His remarks, so far as they are addressed to me, I do not think were meant unkindly. (*The Honourable Saiyid Raza Ali*: "No.") But I believe that, having made a motion and having obtained an adjournment of 14 days and having been unable to discover anything material, my friend was reduced to this unhappy condition of having to appear as a critic, at the same time appreciative and depreciative, and putting both these things together, and his remarks, I take it, were meant kindly and as a commendation but a commendation diluted with the unfortunate situation that he obtained 14 days' delay for this purpose. I do not think any further point arises here.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to consolidate the law relating to Criminal Tribes be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: We will proceed to the detailed consideration of the Bill, reserving the Preamble as before.

THE HONOURABLE SAIYID RAZA ALI: I do not think, Sir, I need say anything more about clause 2. As I have already pointed out, we have omitted the definition of " tribe, gang or class " from this clause, but, as it appears that these words or similar words have been inserted in various clauses in their proper places, we might pass this clause as it stands.

Clauses 1, 2, 3 and 4 were added to the Bill.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, with regard to this clause, a point strikes me which probably may be cleared up. The method of calling upon the members is not indicated here. I recognise that this is the wording of the old Act, but in these days there may be difficulty, particularly as disobeying the call may involve some penalties. It would be desirable to prescribe some method of calling upon the members by law and not by rules.

THE HONOURABLE THE PRESIDENT: I suggest with reference to that, if the Honourable Member felt that this was really desirable, he might put in an amendment.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I myself am not able to make out how it could best be done, Sir. I am drawing attention to what appears to be a defect in the clause.

THE HONOURABLE THE PRESIDENT: My point is this that, if this involved a change in the law, it would be more suitable to have an amending Act. But if it is merely a supplementary provision intended to fill the Bill out and not change the law, then I think the Honourable Member would have been in order in putting down an amendment on the paper.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, I think that the point raised by my Honourable and learned friend is sufficiently resolved in the Bill itself. In the debate on the Amendment Act, which was passed by this House last year, I drew the attention of the House to the fact that, owing to the subject-matter of the Act, it was highly desirable that a great deal should be left to Local Governments, who directly administer it to carry out its general provisions by means of rules in detail. Now, I think it will be apparent to the House that, dealing as the Act does deal with communities of very different habits and habitats, it would be somewhat rash on the part of the Legislature to be too precise in its prescriptions in matters of this kind. My Honourable and learned friend will, then, I think observe that, in the clause to which he refers, it is laid down that " the District Magistrate shall publish notice in the prescribed manner," and, if he will refer to clause 2 of the Bill, he will find that " prescribed " means " prescribed by rules made under this Act." It is, therefore, the intention of the Bill, as it was the intention of the Acts which it consolidates, to leave in this matter a certain discretion to the Local Governments. The Local Governments have framed rules for matters of this character and the difficulty which my Honourable and learned friend has pointed out is, I think, adequately met by that solution.

THE HONOURABLE SAIYID RAZA ALI: I just want to add one word, Sir, to explain that the objection taken by the Honourable Dr. Sir Deva Prasad Sarvadhikary was met even by the old law. If he will refer to clause 20

[Saiyid Raza Ali.]

he will find that under sub-clause (2) (*b*) of that clause, provision has been made as to the publication of the notice. So it is not a case of no provision having been made by the Bill, quite apart from the point taken by the Honourable Mr. Crerar, for the matter has been specifically referred to in clause 20.

THE HONOURABLE PANDIT SHYAM BIHARI MISRA (United Provinces: Nominated Official): Sir, I just wanted to point out that clause 20 (2) (*b*), the same that has been referred to by the Honourable Saiyid Raza Ali, prescribes the manner in which the notice shall be published.

Clauses 5, 6 and 7 were added to the Bill.

THE HONOURABLE MR. S. VEDAMURTI (Burma: General): I do not know, Sir, whether I will be in order in objecting to the provision of including the District Magistrate in this clause.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member consider that a change has been made in the law?

THE HONOURABLE MR. S. VEDAMURTI: I object to a provision like that.

THE HONOURABLE THE PRESIDENT: My point is whether the Honourable Member considers that there is a change in the law, or whether the law is the same as the old one.

THE HONOURABLE MR. S. VEDAMURTI: The old law is the same.

THE HONOURABLE THE PRESIDENT: Then the Honourable Member is not in order.

THE HONOURABLE SAIYID RAZA ALI: Sir, taking my direction from my friend, the Honourable Mr. Khaparde, I may be allowed to state that in this clause Mr. Khaparde and his friends have substituted the word "think" for the word "see" which appears in the original Act. I may say that it is not a change in the law. I say this because the Honourable Mr. Khaparde was careful enough to point out in the Statement of Objects and Reasons that the only alteration made in the Bill was the substitution of "who" for "which."

Clauses 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 were added to the Bill.

THE HONOURABLE SAIYID RAZA ALI: Sir, a small point arises in the consideration of this clause, not of any very material importance, but I want to draw attention to it. The question is whether we should specifically mention section 18 in this clause. As Honourable Members are aware, the corresponding section of the old Act, namely, section 19 of Act III of 1911, specifically mentions sections 16 and 17, but it did not mention section 18. But that is not the real objection. The point is whether it is necessary to mention section 18 at all. If Honourable Members will turn to the Bill, they will see that clause 16 provides for power to place the criminal tribe in a settlement and then clause 17 provides for power to place children in schools and to apprentice them. Clause 18 as a matter of fact takes into consideration the cases of both those who come either under clause 16 or clause 17. Clause 18 does not make any change in the mode of residence or the place to which they are to be restricted. As a

matter of fact, sub-clause (*a*) of clause 18 provides for discharge and sub-clause (*b*) provides for transfer from one settlement or school to another in the same province. Now, clause 19 which is now under discussion provides for such people being transferred to another place in another province, so that it, as a matter of fact, legalises the action taken by Government under clauses 16 and 17. To me it seems that the mention of section 18 would be unnecessary. If you think, Sir, that this is so, we might omit the words " or section 18 " in clause 19.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I do not think that in this case the contention of my Honourable friend, Saiyid Raza Ali is tenable. Clause 18 contemplates some further action: (*a*) regarding the order of discharge of any person from a school or settlement, and (*b*) regarding the order of transference from one settlement to another.

THE HONOURABLE SAIYID RAZA ALI: In the same province.

THE HONOURABLE SIR MANECKJI DADABHOY: Yes. That necessitates the order of the Local Government or of an officer authorised by it. It cannot be done without the Local Government's order and it is necessary, therefore, to provide for the insertion of section 18 in this clause. It is an important step preliminary to a discharge or transfer order and it ought not to be taken without the special permission of the Local Government or any officer authorised by it.

THE HONOURABLE THE PRESIDENT: I suggest one other reason for, as the Honourable Member knows, I was concerned with this Bill. I suggest for his consideration that clause 19 as it stood in the original Act conferred the power on the Governor General in Council. That was subsequently amended and the Local Government was given the power, and that may be the reason why there is mention in the old section of section 18.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, the only question in this case is as to the power of discharge. For instance, when a person is transferred to some other Local Government's jurisdiction, who would be the Government empowered to discharge the man? Clause 19 refers to the power to discharge and transfer from one settlement to another. That may be so far right. But when such a person is transferred to the local jurisdiction of another Government, who is the Government that could have jurisdiction for the purpose of discharge?

THE HONOURABLE THE PRESIDENT: Is that with reference to clause 18?

THE HONOURABLE MR. R. P. KARANDIKAR: Clauses 18 and 19 taken together. If clause 18 enables the officer concerned or the Local Government to discharge the person and that person is transferred to some other jurisdiction and the man goes out of the first Government's jurisdiction and is transferred to the jurisdiction of some other Local Government, the question may arise as to which would be the Government that might possibly be in a position to discharge him unless section 18 empowers the Government that sends out the man to some other Presidency to desire that other Government to discharge him.

THE HONOURABLE THE PRESIDENT: If the Honourable Member will look at the wording of clause 18 he will see that the Local Government

[The President.]

is empowered to discharge any person who *may be* in any industrial, agricultural or reformatory settlement or school in the province. Therefore it must be the Local Government of the school.

Clauses 19 and 20 were added to the Bill.

THE HONOURABLE SAIYID RAZA ALI: Sir, in this case reference has been made to a preceding clause, namely, clause 9. That clause provides that:

"The District Magistrate or any officer empowered by him in this behalf may at any time order the finger-impressions of any registered member of a criminal tribe to be taken."

Clause 21 says that, if any man refuses to allow his finger-impressions to be taken, then he will be liable to a certain punishment. It appears to me, Sir, that the words "by any person acting under an order passed under section 9" are not absolutely necessary. There is no harm in keeping them, but it seems to me that the power to be exercised by an officer under clause 21 must be a lawful power and the only lawful power that he can exercise for taking the finger-impression can be that conferred upon him under clause 9. These words therefore appear to be redundant. If it is thought necessary to retain them, in order to make the intention of the Legislature clear, there is no harm in allowing these words to stand.

Clauses 21 and 22 were added to the Bill.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, in his speech on the motion that the Bill now before the House be taken into consideration my Honourable friend, Saiyid Raza Ali, invited the attention of the House to what he supposes to be a fact that the proviso to clause 23 is something new and is not to be found in the corresponding section of the Act of 1911. Now, my Honourable friend, Mr. Khaparde, has already traced the history of this proviso and has informed the House that the proviso is the result of certain judgments delivered by the Bombay and the Madras High Courts. But what I would like to point out to the House is this, that the judgments of these two Courts merely interpreted section 23 of the Act of 1911 as it stands on the Statute-book. They did not introduce anything new. If Honourable Members will turn to the language used in section 23 of the Act of 1911 they will find that it reads thus:

"Whoever, being a member of any criminal tribe and having been convicted of any of the offences under the Indian Penal Code specified in the Schedule . . .

Mark the words that follow—

"*is hereafter convicted* of the same or any other offence specified in the said Schedule, shall, in the absence of any reason to the contrary to be mentioned in the judgment of the Court, be punished . . . . "

Then follow the rules relating to enhanced punishments in those circumstances. Now, it will be clear to the House that the words "is hereafter convicted" under section 23 of the Act of 1911 clearly mean convicted after the 1st March 1911. Therefore, in order to remove any possible ambiguity in the law as it stands under the Act of 1911, the words "is hereafter convicted" have been eliminated from the first portion of the clause as it now stands in the Bill, and the effect of those words is now embodied in the proviso. The provision of law is what it was in the Act of 1911, and is now rendered absolutely clear by transposing all those

words " is hereafter convicted " into a subsequent portion of the sub-clause in clearer language than was the case in the Act of 1911.

THE HONOURABLE SAIYID RAZA ALI: I confess that the Honourable the Leader of the House and myself are in agreement on this clause though on entirely different grounds. The Honourable the Leader of the House has tried to make out that the proviso does no more than enact the law as it stood under Act III of 1911. Sir, I beg to differ. In fact, the proviso goes much further, but the change, as I call it, that has been made is one that will commend itself to all humanitarians. I do not propose to go into nice questions of interpretation of law, but I will ask the Honourable the Leader of the House to consider this case if the words " is hereafter convicted " as used in section 23 of the Act of 1911 are to be retained and if this proviso is not to be re-enacted. The result will be this. Take the case of a man who has had two convictions before the 1st March 1911 and a third conviction takes place after that date, namely, in the year 1924. What will be the punishment to which the man would be liable? Sir, under the law as enacted in Act III of 1911 he would be liable to no less than transportation for life, and under the law as it would stand, if this proviso is enacted, he would be liable only to seven years. So that it will not be open to the Honourable the Leader of the House to say that both the things mean exactly the same thing. They mean different things. I must say that it would be very hard on the offender if he were to be sentenced to transportation for life because this Act was enacted in the year 1911 and two of the offences were committed by him previous to that year. As a matter of fact, it would be giving a prospective effect to his convictions if you were to retain the word " hereafter " and not enact this proviso. Therefore I am for the enactment of this proviso, though, as I have said, for reasons very different from those given by the Honourable the Leader of the House.

Clauses 23 to 30 were added to the Bill.

Schedules I and II were added to the Bill.

The Preamble was added to the Bill.

THE HONOURABLE MR. G. S. KHAPARDE: Sir, I move that the Bill be now passed. In making this motion I may say that I am very glad that the Bill has been very well received in the Council and that it has been carefully scrutinised and well argued except that I beg to make one remark. When I began the practice of law, there was a Judge before whom I appeared. On my appearing there the Judge said, " Is that your case? I accept your argument and I acquit the accused." But there was a colleague of mine who was senior to me, who said, " Yes, yes, Your Honour is right in acquitting him, but will you kindly hear me." " What for?" asked the Judge. " I have acquitted your client." " You may have acquitted my client, but I want to adduce my reasons " said my colleague. The Judge said, " There is no use of your giving reasons now." My colleague replied: " No, no. Though you may acquit him still I want to argue." Something of that kind has happened here. The Bill is all right, the clauses are all right, but the reasons differ. My colleague in the case to which I have referred said " No, no, I want to say something though you may acquit." My friend has told us something of that kind to-day. He said that the sections are all right but the reasons differ and he thought it fit to put them forward. Anyhow they were kindly meant and I hope that the Council will now pass the Bill.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, I should like to say a few words before the motion is put that the Bill be passed. I think I may conclude from the course which the debate has taken on the detailed consideration of the Bill that this is a measure which commends itself to the House and, in the few words which I have to say, I propose to myself the pleasant task of making an acknowledgment and expressing an obligation. The House has before it now in a concise and compendious form the result of a series of enactments. Those enactments have been very carefully scrutinised by the Statute Law Revision Committee. We have had the additional advantage, at the instance of my Honourable and learned friend, of a further interval in which the House has been able to deliberate upon this consolidation measure. It must, I am sure, be gratifying to the Committee and reassuring to the House that my Honourable friend's labours during the course of the last fortnight have resulted almost entirely in compliments to the Committee. Before I resume my seat, I desire to express on behalf of the Government of India and, more particularly, on behalf of the Home Department which is specially charged with the administration of this Act, our deep thanks to the Committee for its labours and for the great and valuable part it has taken in promoting to a place on the Statute-book a largely improved measure. I express that gratitude not only on behalf of the Government of India, but also on behalf of the officers of Government whose duty,—a delicate, difficult and responsible duty,—it is to carry out the provisions of the law, not only legally but with a humane consideration for the unfortunate persons whose destinies are concerned. I have had a considerable amount of personal experience of the administration of this Act and I have no hesitation in assuring the House that this measure will greatly facilitate the labours and relieve to a material extent the responsibilities of the officers immediately charged with its administration. The work of original legislation is no doubt a very heavy and a very responsible one, but that of codification and consolidation is, in practice, at least comparable in value. Not only Government and its officers but lawyers and the general public do, I think, owe a very deep debt of gratitude to the work of the Committee; and, if I associate the legal profession and the public with Government in the expression of my gratitude to the Committee over which you, Sir, presided, I do not think that I shall exceed my commission.

THE HONOURABLE THE PRESIDENT: I desire to acknowledge the very kind references that have been made to the Statute Law Revision Committee by Mr. Crerar. I shall have great pleasure in conveying this appreciation of their work to the Statute Law Revision Committee at their next meeting.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to consolidate the law relating to Criminal Tribes be passed."

The motion was adopted.

INDIAN TOLLS BILL.

THE HONOURABLE THE PRESIDENT: The Council will now resume further discussion on the motion made by the Honourable Dr. Mian Sir Muhammad Shafi on the 5th February 1924, that the Bill to consolidate the law relating to Tolls on Public Roads and Bridges be taken into consideration.

THE HONOURABLE SAIYID RAZA ALI (United Provinces, East: Muhammadan): Sir, the Bill before the House is a very short measure and I may be allowed to say that, having regard to the careful handling of this measure at the hands of the Statute Law Revision Committee, it will not be necessary for me to detain Honourable Members of this Council for any length of time. I may however be allowed, Sir, to say in passing that there are certain points about which I should have liked to have some information in the Statement of Objects and Reasons. While we were discussing the previous measure I pointed out that the Statement of Objects and Reasons might with usefulness have contained a little more information than the Honourable Member in charge of the Bill chose to give. I of course recognise the great labour that it has entailed. Since this is a much shorter measure than was the case with the Criminal Tribes Bill, not very many points arise in connection with this. Yet, Sir, I think I am voicing the feelings of my Honourable colleagues in saying that we would very much welcome a little more information being vouchsafed to us, especially on those points where the Bill before the House, if it is a consolidation measure, does not agree with the original Act or makes any departure from the scheme laid out in the original Act. I may point out here to illustrate my meaning that clause 2, which contains definitions, seeks to define toll collector and toll superintendent. Now, at this stage it is not necessary to go into those definitions, but I think some Honourable Members may be under the impression that these definitions were taken from any of the Acts which it is proposed to consolidate. It may be useful to point out that in fact these definitions are entirely new and are not contained in any of the Acts referred to herein. Now, if a short note about that had been included in the Statement of Objects and Reasons it would have put Honourable Members on their guard, and in that case they might have been in a position to scrutinise these definitions more carefully than most of us have perhaps done now.

Then we find, Sir, that another point about which some information might have been given arises in clause 6. Now, Honourable Members will find that in the marginal note against clause 6 reference has been made to section 8, Act II of 1901. Now, Honourable Members will be interested to know that Act II of 1901 contains only as many as 7 sections, not 8. So that here clearly some mistake has crept in. As a matter of fact this section has specifically been repealed, it does not exist. I may say, to avoid any unnecessary trouble to the Honourable the Leader of the House, that this reference is to section 3 and not to section 8.

Now, then, as to the scheme of clause 6, I have a little more to say, Sir, which I will reserve till that clause itself is before the House.

I support the motion that this measure be taken into consideration.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, in the speech which has just been delivered by my Honourable friend, there are only two points really which have been made in the observations addressed by him to the House. The last point he himself admitted was really no point at all. That " 8 " is really a misprint for " 3, " in the marginal note to clause 6.

In so far as the complaint that more information ought to have been given in the Statement of Objects and Reasons than is actually the case is concerned, I venture to submit that there is really no substance in that complaint. The Statement of Objects and Reasons, Honourable Members

[Dr. Mian Sir Muhammad Shafi.]

will find, gives everything that is necessary for information in the case of a Bill like this. If it had gone on to state that the definitions given in clause 2 of " toll " etc., are not to be found in any of the previous enactments which it seeks to consolidate, that as a matter of fact would have been no information at all and no Honourable Member would have been any the wiser for the giving of that information. The definitions really, if Honourable Members will have a look at them, do not introduce either any change in the law or bring out anything which is not to be found already within the four corners of the previous enactments. The words were used in various parts of the original enactments and the definitions, as given now, simply make the position clear. They do not introduce anything new.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I am not quite satisfied with the explanation which has been given by the Law Member. I understand a consolidation measure means that you are strictly confined to consolidating the various preceding Acts and Statutes into one self-contained measure re-arranging them scientifically and methodically, and bringing the same matter and substance into the measure. As far as I have understood a consolidating measure does not exceed these limits. I would like to know from the Law Member if it is permissible for a statutory body or a Committee to introduce new matter, even in the shape of definitions which do not find place in any original Act. As far as I am aware, it ought not to be and it is not a correct, legitimate and permissible procedure and, if that had to be done in the present case for any special reasons, this ought to have been stated in the Statement of Objects and Reasons to the Bill.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, might I point out that in a consolidating measure it would not be legitimate to amend the law as it exists nor to introduce new matter—of course an amendment might mean a modification, an addition and so on. But it is perfectly legitimate in consolidating to so place the various provisions contained in the enactments sought to be consolidated as to make the law clear without introducing anything new. Now, if my Honourable friend will turn to clause 2, he will find that the words " toll ", " toll collector " and " toll superintendent ", which occur in several or perhaps in almost all the previous enactments, are defined. All that clause 2 does is merely to make their meaning clear; " toll " means a toll leviable under this Act; " toll collector " means a person appointed to collect tolls; and " toll superintendent " means a person appointed to superintend the collection of tolls. I venture to think that, even without the inclusion of these definitions, those words in the clause would have meant what the definitions say they do mean, so that the definitions do not really introduce anything new nor do they modify any of the provisions contained in the previous enactments, and in consequence it was perfectly legitimate to include them in this clause.

THE HONOURABLE SIR MANECKJI DADABHOY: Then the definitions are superfluous.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: They make the meaning clear, that is all.

THE HONOURABLE THE PRESIDENT: Not on the particular point before the House but on the question of consolidation in general, I should like to

say that it is not only a permissible part of consolidation to redraft and recast sections, it is the very essence of consolidation. If you take sections and cut them up into pieces with a pair of scissors and then stick them together with paste and think to reproduce the law you will be wrong. That is the very last thing that is done. The first object of consolidation is to re-enact the law—not altering the substance—but to do this you must often redraft it. Sir Courtney Ilbert who was perhaps the greatest authority on consolidation in recent years and Lord Thring who is acknowledged to have been a prince among draftsmen, always used to reproach the members of the House of Commons for entertaining the idea that consolidation simply meant a clerk sitting down with a pair of scissors and a pot of paste and pasting section after section in order. Well, gentlemen, if you had ever tried to do any consolidation work—I have spent a good many years of my life in doing this kind of work,—you would realise that that conception is entirely wrong. I can assure you that, so far from producing the same law, you would be producing an entirely different law. It is of the essence of consolidation that you have to extract the substance of the law and to endeavour, where necessary, to put it into a better shape and form, without altering the substance. That is why consolidation, so far from being bricklayer's work, requires very delicate handling. I hope Honourable Members will believe how much the Statute Law Revision Committee welcome the interest the House takes in its work. They will help also if on their part they point out any errors—because the best draftsmen do make errors —and such scrutiny is of real assistance. I hope however they will be merciful in destructive criticism. It used to be said in my old Department, when we criticised the drafting of the Bills from Local Governments, that " those who live in glass houses should not throw stones," and I think that is a very good proverb in any case and it is an extraordinarily good proverb for the draftsman, and also for those who criticize his efforts. If in making these remarks I have detained the House unduly I apologise, but I do think that we ought to be quite clear on this question of consolidation. You must not take one section and say that a particular word is not clear or take one definition and say that that definition is not clear. You must read the whole Bill and you must then gather why this definition has been put in. In this particular case, it may perhaps be a pure drafting device.

The question is:

" That the Bill to consolidate the law relating to Tolls on Public Roads and Bridges be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: We will now proceed to the detailed consideration of the Bill, reserving the Preamble as usual.

Clause 1 was added to the Bill.

THE HONOURABLE SAIYID RAZA ALI: Sir, Honourable Members will have noticed that, when offering a few observations on the previous stage, I did not go into the merits of any of the definitions that are before this House. Nor did I say, Sir, that it was improper in a consolidation to improve the scope of the existing law or make it clear without changing it. In fact, difficulties of this character will be obvious to all those who take an interest in this branch of the law. The only thing that I pointed out to this House— and I think the House will see that it is a legitimate grievance against those who are responsible for introducing such measures— was that nothing was mentioned as to the fact that the definitions incorporated in clause 2 were new and did not find a place in any of the

[Saiyid Raza Ali.]

original Acts. I did make mention of the fact, and I repeat it again, that in future it will be deemed proper to give information of this character in the Statement of Objects and Reasons, so that those who feel an interest in the subject might be in a position to form an accurate estimate of the labours undertaken by the Committee or the authorities responsible for the work. Otherwise, as it is, one has to go through the whole Act to find out what new measures have been incorporated in a consolidation Bill. That was my complaint and I do not think that is a complaint that is not legitimate.

Now, coming to these definitions, Sir, let me say at once that I have absolutely no objection to the definitions for the simple reason that, as definitions, they are not of any very great use. Let us see what the definition is. "Toll means a toll leviable under this Act." Is this any definition at all? As a matter of fact, the reason why I do not object to these definitions is because they are not very useful as definitions, much less can they be injurious. Even if these definitions were done away with, no harm would be done. I agree with the Honourable the Leader of the House that it will look odd if you use the words "toll," "toll collector" and "toll superintendent" very frequently and you do not attempt to define them. The definitions are not at all illuminating as I have pointed out. But to remove the extraordinary feature of these words being used constantly without being defined, I for one, Sir, would be satisfied even without these definitions, if they deserve the name at all.

THE HONOURABLE MR. G. S. KHAPARDE: Sir, my Honourable friend has objected to the definition of the word "toll" which says, "toll means a toll leviable under this Act." He thinks that these definitions may have been omitted. In India, as we know, there are customary tolls and also tolls which are sanctioned by Government and imposed by law, and this definition means that customary tolls that people take are not included in the purview of this Act. Therefore, I think the definition of "toll" is very necessary.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, I would like to point out to the House that the fact that there is as against clause 2 no marginal reference saying that this clause has been reproduced from a previous enactment, as is the case in connection with all the other clauses of the Bill, is a sufficient indication to Honourable Members that this provision is a new one and has not been reproduced from any of the previous enactments.

Clauses 2, 3 and 4 were added to the Bill.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I would draw attention to the proviso to clause 5 which runs:

"Provided that, if, at any time before the sale begins, the person whose property has been seized tenders the amount of all the expenses incurred and of double the toll leviable, the superintendent shall forthwith release the property seized."

I want to make it clear that the expression "the person whose property has been seized" includes the person who was primarily responsible to make the payment of the toll. As I find generally, it is the cart driver or whoever is in charge of the cart that primarily pays the toll. It is not

always the case that the property in the cart or vehicle belongs to the man that drives the cart. I would therefore make it clear by adding after the words " the person whose property has been seized " the words " or any other person on his behalf." Possibly it may be that if this clause stands as it is, the expression " whose property has been seized " is liable to be construed in different ways. I have no doubt that we may depend on the commonsense of the officers or individuals concerned in exacting the tolls and disposing of the property. But it would be much better to make it clear in the Act itself. It is not always the case that it is the person whose property it is that makes the payment. It may be the cartman. Perhaps he does not hold the property. He has no rights in the property. The section does not go into that. It merely says in a general manner " the person whose property has been seized " though it may be only a reproduction of the old Act. It has been explained very properly that a consolidation measure is not limited to mere reproduction and must not leave any room for doubt. I should like to make the point clear by adding some such expression as " or any other person on his behalf " if that is acceptable.

THE HONOURABLE THE PRESIDENT: There is a point of order here and that is, there is no formal amendment of which notice has been given. I do not know whether the Honourable the Leader would like to look into the point and perhaps to consider whether it is an improvement, and if so, move it as a formal amendment during the third reading of the Bill. At the moment there is no amendment before the House.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: What I would like to point out to this House is that this proviso has been reproduced from the previous Act word for word, and the words " Whose property has been seized " merely refer back to sub-clause (*1*) of this clause in which it is said:

" In the case of non-payment of any toll on demand the toll collector may seize such of the vehicles or animals on which it is leviable . . . "

So that it is the owner of the property seized under sub-clause (*1*) who is mentioned in this proviso. Whether in these circumstances we should be improving the law by adding the words that have been suggested by my Honourable friend I am very doubtful.

THE HONOURABLE SIR MANECKJI DADABHOY: I do not think that there is any cause for the apprehensions indicated by the Honourable Mr. Karandikar. I think the wording is perfectly right. The wording is "the person whose property has been seized." It is quite a complete and adequate expression and conveys an interpretation the Legislature intended because " the person whose property has been seized" means the person who is in actual possession of the thing, who is in possession at the time being and who is the custodian thereof. There may be a cart with stuff which may belong to some other person, but the cartman is for the time being in possession of that property, both *de facto* and *de jure* and it makes no difference whatever that he may not actually own it. The law as framed in this clause is absolutely clear and includes a person who is for the time being in charge of the property.

THE HONOURABLE THE PRESIDENT: I just want to make one point clear. When I intervened, it was not with the object of expressing an opinion on the merits of the case, but merely to point out that there was

[The President.]

no amendment on the paper to indicate the only way in which it could be considered by the Leader of the House if he wished to take action.

THE HONOURABLE MR. R. P. KARANDIKAR: I take it that I was not in order.

Clause 5 was added to the Bill.

THE HONOURABLE SAIYID RAZA ALI: It appears to me that the language of this clause requires serious consideration at the hands of the Honourable the Leader of the House. Here we find a provision made for the exemption of certain classes of persons from toll. Sub-clause (*a*) of the clause mentions the persons who are entitled to be exempted from paying toll under the Indian Tolls (Army) Act, 1901. Yet, when we come to the Schedule, we find that no provision has been made for repealing any portion of that Act, namely, Act II of 1901. Now, Sir, if we allow this clause to be passed as it is without adding something to the Schedule, making a clear reference to the relevant portions of the Indian Tolls (Army) Act, the result would be this, that you will have two provisions giving the benefit of exemption under two different Acts, namely, Act II of 1901 which will be allowed to remain as it is since it is not proposed to repeal any portion of that Act, and the present Bill, and it will be wholly unjustifiable. I need hardly point out that you cannot allow one provision to be had in two Acts. If you want to have this, either repeal the relevant portion of Act II of 1901 and add that portion to the Schedule to this Bill, or, if it is found that it will be inconvenient to adopt that course, then the best thing I would suggest will be to do away with sub-clause (*a*) of clause 6 of the Bill. It seems to me that it would be an extremely anomalous position to take up if we retained the provision in both the Acts. The best course I suggest is to do away with sub-clause (*a*) of clause 6 of the Bill and allow the Indian Tolls (Army) Act to remain as it is, because that would be more convenient than repealing a portion of that Act and having a corresponding provision enacted in sub-clause (*a*) of clause 6 of the Bill.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, if Honourable Members will glance at the Statement of Objects and Reasons they will find that according to the statement therein contained:—

> "It has not been found possible to include the provisions of the Indian Tolls (Army) Act, 1901, in the present consolidation. The law consolidated only relates to tolls on roads and bridges, while the scope of the Act in question is far wider and cannot be incorporated in the present Bill."

That being so, it seems to me that not only was there nothing incongruous but that it was necessary in the present enactment to exempt from payment of tolls the classes of persons or property exempted under the Act of 1901. All that this clause 6 does is that it lays down that no toll shall be leviable from any person or upon any thing exempted from the payment of tolls under the Indian Tolls (Army) Act, 1901. In fact, had there been no inclusion of this provision possibly a contention might have been raised that there was inconsistency, that, while there is one Act which makes the payment of toll obligatory, there is another Act which exempts certain persons or things from payment of toll, and it might have been contended that this, being a subsequent enactment to that of the Act of 1901, must prevail as against the previous one and therefore the persons or things specified in the Act of 1901 are liable to payment of toll. In order to make

it clear that the provision embodied in the Act of 1901 is to hold good in spite of the enactment of this particular law, sub-clause (*a*) has been introduced here. Otherwise, possibly there might have been an inconsistency, or in any case there might have been room for contention that the exemption given by the previous Act of 1901 is no longer in operation.

Clauses 6 to 12 were added to the Bill.

The Schedule and the Preamble were added to the Bill.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, I move that the Bill be passed.

The Honourable Mr. Karandikar has sent me a letter in connection with this Bill in which he has mentioned a point which, with your leave, Sir, I would like to make clear at this stage. He points out the desirability of letting local Legislatures know that they are not deprived of their powers when the Executive of the Local Governments acts under this Bill when passed. May I point out to him that under section 80 of the Government of India Act, 1919, the powers of the local Legislatures are clearly specified and that local Legislatures are presumed to know the scope of their powers, and therefore it is unnecessary to point this out to them.

THE HONOURABLE MR. R. P. KARANDIKAR: I had no intention of taking a very great part in the discussion of this small Bill, which was merely a reproduction of old enactments, but I find that the Act of 1851 was passed at a time when the Local Governments had no power to legislate for their own provinces, between the period 1833 and 1861. Under these circumstances the Act of 1851 came to be passed. Before that no doubt the Bombay Regulation XIV of 1828 made some reservation with reference to the power of the Bombay Government in respect of a small causeway in Sion which is near Bombay. My only object in troubling the Honourable the Law Member was that perhaps it may be assumed for the moment from the language used in this Act that other Governments (Bombay being excepted from the operation of this enactment) have to subordinate themselves in reference to certain matters and that they are merely given power to fix the rates and to appoint the agency wherewith to collect the tolls. My only point was that since the passing of the Reforms Act the local Legislatures may care to look into these matters and, if, as in Bombay the local Legislature, is freed from the obligations to subordinate itself to the Central Legislature, other Governments may equally want to be freed from it, if it is possible for them to do so. I quite accept the Honourable the Law Member's explanation.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to consolidate the law relating to Tolls on Public Roads and Bridges be passed."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: Has the Honourable the Leader of the House any statement to make regarding the business of the House?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: No.

The Council then adjourned till Eleven of the Clock on Monday, the 25th February, 1924.

COUNCIL OF STATE.

Monday, the 25th February, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

PROVINCIAL GOVERNMENTS' SHARE OF INCREASED REVENUE FROM STAMPS.

107. THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI: With reference to the Indian Stamp (Amendment) Act of 1923, which was passed by the Legislature in July 1923, will the Government be pleased to state:—

(*a*) the total increase of revenue likely to result therefrom;

(*b*) the share which each Provincial Government will obtain of the said increase;

(*c*) how the said share has been calculated?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) It is not possible to give any reliable estimate of the increase of revenue, as no separate record has been kept of each of the items on which the duty has been increased.

(*b*) and (*c*) The Government of India are in consultation with Provincial Governments on this subject.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is the Honourable Member in a position to tell the House whether the increase has been reflected in any way in the last Bengal Budget?

THE HONOURABLE MR. A. C. McWATTERS: I have no information, Sir.

ASSIGNMENTS TO PROVINCIAL GOVERNMENTS OF REVENUE FROM STAMPS.

108. THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI: (*a*) What is the assignment which each Provincial Government gets from the central revenue on account of the sale-proceeds of postage stamps used for the purpose of general stamps in the different provinces?

(*b*) When was the said assignment last fixed, prior to the Indian Stamp (Amendment) Act of 1923; and on what basis was it calculated?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) The assignments are as under:—

	Rs.
Madras	3,50,000
Bombay	3,30,000
Bengal	4,99,000
United Provinces	1,40,000
Punjab	1,85,000
Burma	2,00,000
Bihar and Orissa	60,000
Central Provinces	65,000
Assam	21,000

(*b*) The above assignments were fixed in 1906 and were based on the estimated loss to Provincial revenues due to the abolition of the one-anna revenue stamp with an allowance for a liberal rate of increase over the receipts at the time calculated on the quinquennial results of the previous 20 years.

The question of revising the basis of these assignments is under consideration and Local Governments have been consulted.

TRAINING OF INDIANS FOR SUPERIOR POSTS IN THE RAILWAY SERVICE.

109. THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI: With reference to the recommendations of the Acworth Committee that greater facilities should be provided for training Indians for the superior posts in the railway service and that the process of their employment in such posts should be accelerated, will Government be pleased to state in detail the progress made in these two directions, in the different railways, since the submission of the Acworth Committee's report?

THE HONOURABLE MR. D. T. CHADWICK: I would refer the Honourable Member to paragraphs 31 and 56 in Volume I of the Railway Administration Reports for 1921-22 and 1922-23, respectively.

I would also invite a reference to the reply given by the Honourable Sir Charles Innes to the question No. 145, by Sardar V. N. Mutalik in the Legislative Assembly on the 5th February 1924, a copy of which is being sent to the Honourable Member.

RESOLUTION *RE* EXPANSION OF REFORMS.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, having regard to the vote on this grave constitutional question in another House, and also having regard to the fact that an important announcement by the Right Honourable the Secretary of State for India is expected to-morrow, I have decided not to move my Resolution.* I recognize and appreciate, Sir, that to give notice

* "This Council recommends to the Governor General in Council that a Committee representing non-officials and officials be appointed early—

(1) to suggest measures for expansion of Reforms with a view to speedy attainment of full responsible government in India, and

(2) pending such expansion, to report upon the possibilities of further measures of Reform under the Government of India Act."

of an important Resolution like this and then not to move it to a certain extent inconveniences occupants of the Government Benches and also, as happens in this particular case, the House because there is no other business before the House. So far as the Government are concerned, I did all I could to give them timely intimation and I finally informed the Honourable Mr. Crerar on Friday last that I would not move the Resolution. As regards the business before the House, I had no idea that there would be no other business or else I would have formally communicated to the Secretary the decision arrived at on Friday, in consultation with my friends. So far as I am concerned, I am extremely sorry that the House is inconvenienced on account of there being no other work. Having regard however, to the facts I have already mentioned, I am not in a position to move the Resolution. I ought to add, Sir, that for the same reasons I shall not move the Resolution* that has been tabled for the 27th of February regarding another branch of the constitutional question. I am extremely obliged to you, Sir, for having assigned a special date for this Resolution at my request, but my reasons for not moving it are the same and I shall not move that Resolution.

THE HONOURABLE THE PRESIDENT: I think the Honourable Member has done well in informing the House, as soon as possible, that he will not move his Resolution which was specially fixed for Wednesday. It certainly is a very serious inconvenience for Members to come down when a day has been assigned for a specially important debate and find that the Mover has decided not to move.

As regards the meeting to-day, if the Honourable Member had been in a position to inform us before the House adjourned last Thursday, we might possibly have avoided this infructuous meeting, but I understand that he was not able to come to a decision till Friday. The question now remains as regards the course of business during this week. Wednesday was entirely reserved for the Honourable Member's Resolution which he has informed the House he is not going to move; it is obviously therefore a blank day. As a preliminary, I would inquire from the Honourable the Leader of the House what Government business, if any, he is going to bring forward on Tuesday or Thursday.

STATEMENT OF GOVERNMENT BUSINESS.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, no new Bills having been passed by the Legislative Assembly, there is no official business for to-morrow or for Thursday, and, with your permission, it is proposed that there should be no meeting on either of those days. It is hoped that some Bills will be laid on the table on Friday, and that they will be taken into consideration on Tuesday of the following week. As already announced, the Financial Statement will be presented to the Council next Friday, and at that meeting I understand a motion will be made by the Honourable Mr. Crerar in regard to the insertion of a Standing Order relating to the quorum of Members of Select Committees in the Standing Orders of this Chamber.

* "This Council recommends to the Governor General in Council that the Honourable the Secretary of State for India be moved to take steps for relaxation of control of the Secretary of State under section 19-A. of the Government of India Act and that rules in that behalf be framed as early as possible."

PRESENTATION OF FINANCIAL STATEMENT ON FRIDAY, THE 29TH.

THE HONOURABLE THE PRESIDENT: In connection with the presentation of the Financial Statement a request has been made to me by the Finance Department that the meeting of the Council may be so arranged that the presentation will not take place till sometime in the afternoon. I am prepared to agree to the course suggested by the Finance Department, but I think the House ought to hear the particular reasons which have actuated the Finance Department in asking for the presentation of the Financial Statement at an unusual hour.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I quite agree that the House is entitled to an explanation, and I am very glad of the opportunity you have given me, Sir, of making it. I need scarcely say that the proposed change has not been suggested for the convenience of the Finance Member or myself. It is a change which has in the first place been urged upon us by commercial opinion. It is obviously inconvenient for members of the commercial public to start business on the 1st March without knowing what changes, if any are proposed in taxation, and the result has been in the past that, the Finance Member's speech being made at 11 o'clock and being published at 12 o'clock, in business centres, the first half of that day has proved a *dies non* commercially, and more than that, it has caused confusion in the working of our customs offices and has added greatly to the work of our officers. What usually happens is that either the customs duties are paid provisionally on the morning of the 1st March or they are not paid at all and business is held up; and supposing, as sometimes may happen, that there are changes in our tariff, it means that there are subsequent adjustments or refunds and these take some time to adjust. For both these reasons, but mainly in order to let the commercial public know overnight what changes are going to take place as a result of the Finance Bill, which takes effect from the 1st March, and, in the second place, in order to relieve our hard-worked customs officers, Government have asked that the Financial Statement should be made in the afternoon of the last day of February so that the information may be in the possession of the commercial public after closing hours on that day.

THE HONOURABLE MR. J. W. A. BELL (Bengal Chamber of Commerce): Sir, as representing one of the two senior Chambers of Commerce in India, I should like to endorse what has been said by my Honourable friend, Mr. McWatters, on the subject of making the Financial Statement on the last day of February. It is a fact, as my Honourable friend has pointed out, that it is a very great inconvenience to the commercial public to have the statement made on the morning of 1st March. As my Honourable friend has pointed out, one of two things must then happen. Either business must be suspended for several hours, or else provisional payments of duties must be made, entailing very troublesome recoveries of refunds. Anyone who knows how long it takes to get a refund of excess duty paid will sympathise with the commercial public in their desire to avoid this if possible. I would just like to add that the commercial community of India will be greatly indebted to Government for the consideration which they have shown to their interests in this matter.

THE HONOURABLE THE PRESIDENT: There is only one point in connection with this subject which I would mention to the Honourable Member (Mr. McWatters). I have been asked what would be the effect of this change in regard to dealings *on* the 29th February.

THE HONOURABLE MR. A. C. McWATTERS: I am not quite sure that I appreciate the difficulty. The information will not be in the hands of the commercial public till after the close of business on the 29th. I understand that it is proposed to move for leave to introduce the Finance Bill on the evening of the 29th after the Budget speech, but the formal motion to introduce the Bill will not be made till March the 1st, and therefore any changes in taxation will not take place until the 1st.

THE HONOURABLE THE PRESIDENT: That is of course as between Government and the people who pay the duty. The question which was asked of me was concerned with dealings between third parties which are of course not necessarily confined to office hours. Will the Bill have effect from the 1st March or the 29th February?

THE HONOURABLE MR. A. C. McWATTERS: From the 1st March.

THE HONOURABLE THE PRESIDENT: That is the point. Then I take it Friday is to be considered as a Government day?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Yes, Sir.

THE HONOURABLE THE PRESIDENT: If that is so, I would desire to ask his permission to put down for that day, as the business is small, a motion of my own in regard to the Succession Bill; I propose to move for a Joint Committee if the Government will give me time.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Very well, Sir.

THE HONOURABLE THE PRESIDENT: What time will be convenient to the Honourable Finance Member to make his Statement?

THE HONOURABLE MR. A. C. McWATTERS: I think about 5 o'clock would be convenient.

THE HONOURABLE THE PRESIDENT: Then I think, having regard to other business which we can take before the Financial Statement, it would be convenient if the House meets at half past Four.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: That is what I was going to suggest.

THE HONOURABLE THE PRESIDENT: In those circumstances, as there is now no other business, the Council stands adjourned till half past Four on Friday next.

The Council then adjourned till Half past Four of the Clock on Friday, the 29th February, 1924.

COUNCIL OF STATE.

Friday, the 29th February, 1924.

The Council met in the Council Chamber at Half Past Four of the Clock, the Honourable the President in the Chair.

MEMBER SWORN.

The Honourable Dr. Dwarkanath Mitter (West Bengal: Non-Muhammadan.)

QUESTIONS AND ANSWERS.

SCOPE OF THE COLONIES COMMITTEE.

110. THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI: (*a*) Is it a fact that Sir Tej Bahadur Sapru has stated publicly that the Committee to be appointed by the Government of India in pursuance of the proposal made by him at the last Imperial Conference in London and accepted by all members thereof, except General Smuts, will confer directly with the Colonial Office, and that in that way a departure will be made in the constitutional status of India?

(*b*) Has the Secretary of State for India in Council formally accepted this position and agreed not to participate in the negotiations between the Committee of the Government of India and the Colonial Office?

(*c*) Will the Committee be instructed to deal with any cases besides that of Indians in Kenya? If so, what?

(*d*) Will the Committee be instructed to proceed to Kenya, if it be thought desirable?

(*e*) What will be the name by which the Committee will be designated in official documents?

(*f*) Is it intended to employ this Committee or some other agency for negotiating with the Dominion of Canada on behalf of Indians in British Columbia? If some other agency, what?

THE HONOURABLE SIR NARASIMHA SARMA: (*a*) Yes.

(*b*) and (*f*) At present I am not in a position to make any statement, but I will let my Right Honourable friend know when I can do so.

(*c*) Not at present.

(*d*) The matter will be considered if the Committee so desires.

(*e*) Colonies Committee.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Will the instructions to the Committee be made public in any way? Will the Legislature be in any way consulted?

THE HONOURABLE SIR NARASIMHA SARMA: There is no intention at present to make the instructions public.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Will the Government consider the desirability of making the instructions public?

THE HONOURABLE SIR NARASIMHA SARMA: Certainly.

THE HONOURABLE MR. G. A. NATESAN: From the answer of the Honourable Member, I understand this Committee will be called the Colonies Committee. I hope it includes not only Crown Colonies, but the Dominions as well.

THE HONOURABLE SIR NARASIMHA SARMA: The definition of "Colonies" is very wide and extensive and comprehends both.

THE HONOURABLE MR. G. A. NATESAN: Will the Honourable Member consider the desirability of changing it to Dominions Committee, as I understand that will be more in consonance with the public wishes.

THE HONOURABLE SIR NARASIMHA SARMA: I fear not, if you say it is the Dominions' Committee, it may not include or be deemed to include Crown Colonies, whereas the term Colonies is comprehensive and I believe includes Crown possessions called Colonies and Dominions.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would not "Colonies and Dominions Committee" be comprehensive enough?

THE HONOURABLE SIR NARASIMHA SARMA: There seems to be no need for it, but if there is any necessity for a change, the Government need not necessarily restrict the designation to the word "Colonies"; but at present they do not see any necessity for it.

RETRENCHMENT ESTABLISHMENT CHARGES ON STATE RAILWAYS.

111. THE HONOURABLE LALA RAM SARAN DAS: Will the Government be pleased to give a reply now to my question* No. 43 asked by me in the Council on the 16th July last?

THE HONOURABLE MR. D. T. CHADWICK: All available information on this subject is embodied in annexures A and B to the explanatory memorandum of the Railway Budget which will be distributed to members in the course of this afternoon.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: In accordance with rule 25 of the Indian Legislative Rules, I lay on the table the Bills which were passed by the Legislative Assembly at its meetings held on the 25th and 27th of February 1924. They are as follows:

1. A Bill further to amend the Indian Coinage Act, 1906, for certain purposes.
2. A Bill to provide for the constitution of a Central Board of Revenue and to amend certain enactments for the purpose of conferring powers and imposing duties on the said Board.
3. A Bill further to amend the Indian Penal Code for certain purposes.

**Vide* p. 1489 of Council of State Debates, Vol. III.

AMENDMENT OF THE COUNCIL OF STATE STANDING ORDERS.

THE HONOURABLE MR. J. CRERAR (Home Secretary): I move for leave to amend the Standing Orders of the Council of State by adding to them a Standing Order in the form* below, relating to the quorum of members of Select Committees. The inconvenience which this proposed amendment of Standing Orders is designed to correct is, I admit, an inconvenience which has not been very sensibly felt, in my experience at least, in the proceedings of this House, but it has been felt in another place. When there is heavy pressure of legislation, and a considerable number of Bills are under consideration, it has occasionally occurred that important measures have been deliberated on in Select Committee by what was generally regarded as an inadequate number of Members. It is designed, by the amendment which I propose, to secure in future that the House will itself fix the quorum, and in the event of the Chairman of the Select Committee finding that a quorum has not been obtained, he may take certain further action in the matter. As I have said, that inconvenience is not one which has, as a matter of fact, been very sensibly experienced in our proceedings, but I think it would be a distinct improvement in our Standing Orders if we had a provision which will remove the possibility of that contingency. And, as a further commendation of the proposal I submit to the House, I may mention that it will bring our Standing Orders more into compliance with the Standing Orders of Parliament in this matter. I shall make the motion standing in my name with the permission of the House.

THE HONOURABLE THE PRESIDENT: When a Standing Order is proposed for amendment it is my duty to read the particular amendment to the Council and ask whether the Member has the leave of the Council. The particular amendments before the Council are as follows:

"39 A. (1) At the time of the appointment by the Council of the members of a Select Committee the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be fixed by the Council.

(2) If at the time fixed for any meeting of the Select Committee, or if at any time during any such meeting, the quorum of members fixed by the Council is not present, the chairman of the Committee shall either suspend the meeting until a quorum is present or adjourn the Committee to some future day.

(3) If any action is taken by the chairman in pursuance of sub-order (2) on two successive dates fixed for meetings of the Select Committee, the Chairman shall report the fact to the Council."

I would ask those Members who are in favour of leave being granted to rise in their places.

(The Honourable Members accordingly rose in their places.)

THE HONOURABLE THE PRESIDENT: The Honourable Member has the leave of the Council.

*"39-A. (1) At the time of the appointment by the Council of the members of a Select Committee the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be fixed by the Council.

(2) If at the time fixed for any meeting of the Select Committee, or if at any time during any such meeting, the quorum of members fixed by the Council is not present, the chairman of the Committee shall either suspend the meeting until a quorum is present or adjourn the Committee to some future day.

(3) If any action is taken by the chairman in pursuance of sub-order (2) on two successive dates fixed for meetings of the Select Committee, the chairman shall report the fact to the Council."

THE HONOURABLE MR. J. CRERAR: Then, Sir, I formally make that motion, and I also move that the proposed amendment be referred to a Select Committee.

THE HONOURABLE THE PRESIDENT: The question is that this amendment be referred to a Select Committee.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: There is a special rule, I see. The rule as regards these Committees is a special one and runs as follows:

"If that motion is carried the draft amendments shall be referred to a Select Committee of which the President shall be Chairman and one of the Chairmen of the Council to be nominated by the President shall be a member. The remaining members who shall be seven in number shall be selected by the Council by means of the single transferable vote in accordance with the regulations framed in this behalf by the President."

In those circumstances we must have time and I would suggest that we fix the nomination of members to the next day when this Council meets, which will be Wednesday.

INDIAN SUCCESSION BILL.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: I beg to move:

"That this Council do recommend to the Legislative Assembly that the Bill to consolidate the law applicable to intestate and testamentary succession in British India be referred to a Joint Committee of this Council and of the Legislative Assembly, and that the Joint Committee do consist of 12 Members."

As Honourable Members will recollect, the Council directed the circulation of this Bill on the 27th July last. The circulation has now been carried out and the opinions have been received, and I think have been in the hands of Members for a considerable time. The last opinion was I think circulated some three weeks ago and on this occasion it will be admitted that the motion is not premature. The last occasion this Bill was before the Council was last July and, therefore, nearly six months have elapsed since then. There can, I think, be no suggestion of any desire to hurry this Bill through the Council. Nothing would be further from my wish, because it is entirely a legal Bill and it must be carefully considered in every way.

When the Bill was last before Honourable Members, I gave my reasons, which were acceptable to this Council, for the somewhat unusual course of circulating a consolidation measure. I do not think the Council will wish me to repeat them here. The main reason is that this is a Bill which deals with a large body of law enacted at different times on a most important subject. Once this Council has directed opinions to be collected on a Bill, it follows, speaking generally as a matter of course, that we should have a Committee to consider the opinions. It is not possible to consider on the floor of the House opinions on a Bill in the detailed manner which is necessary. You require a Committee. I think the Council will agree on that point. That is why I am asking for a Committee now.

The next point I have to make is to explain why I am asking for a Joint Committee and not a Select Committee of this House. Well, I suggest to this House that a consolidation Bill, if it is referred to a Committee at all, is more appropriately referred to a Joint Committee, because what you want to do is to get the largest amount of legal talent available

and that you do by drawing on both Houses. The points which arise in consolidation Bills are nearly always—I think I may say always—legal points. That is why I have adopted the course of asking the Council to agree to a Joint Committee. I may say that in taking this course I have the unanimous support of the Statute Law Revision Committee who, of course, are the real promoters of this Bill and who are, as you know, composed of Members of both Chambers. I took the opportunity at a recent meeting to bring this argument before them.

A reference to a Joint Committee, just like a reference to a Select Committee, commits the House to the expression of general approval of the principles of the Bill. The general principles of a consolidation Bill are consolidation; and, if the House accepts this motion, it means that it is of opinion that the law dealt with should be brought within the compass of a single Act. The opinions received on that point are unanimous with one somewhat notable exception, to which I must invite the attention of Honourable Members. With that exception, all the High Courts, all the Local Governments, all the Bar Associations, all the legal Associations consulted, are unanimously of opinion that consolidation is not only advisable but they strongly recommend it. There is one opinion, however, to the contrary and I will read it to the Council. It is the opinion of the Madras Government which runs as follows:

"His Excellency the Governor in Council agrees with the conclusion of the Honourable Mr. Justice Coutts-Trotter and is inclined to the view that what is wanted is the enactment of a few simple rules to suit Indian conditions and that the proposed codification is of doubtful utility."

The opinion of the High Court of Madras, which is based on that of the distinguished lawyer to whom I have just referred, is the only opinion the Madras Government have sent up except that of their Advocate General who is in favour of consolidation. I confess that when I first read the Madras letter I got a mild shock. The advantages of consolidation have been so generally recognised that I began to wonder what it was that this opinion really implied. I said to myself—had we done our work so badly or so carelessly that the Honourable Judge looking at the Bill came to the conclusion that the consolidation must be opposed. Well I, and I have no doubt many other members of the Statute Law Revision Committee, were considerably relieved to find that this was not so. It is not suggested that the consolidation has been badly done. It is not suggested there is anything wrong with the consolidation *qua* consolidation. Two objections are taken in the opinion. The first objection is that the present law is unsatisfactory and that a new law ought to be enacted. If the Council accept that view, it seems to me that it is an argument for bringing in an amending law, but it is not in itself an objection to consolidation. You cannot improve the substance of the law by purely consolidating it. I never suggested you could. It is not therefore necessary to my brief to go deeply into that point. The Bill does not, and has never pretended to, alter the law. It merely brings it together in a convenient form. It is further suggested that what is required are a few simple rules of construction. Now I wish to be quite fair to the criticism. I think that what the Honourable Judge has in mind is a certain branch of the law which has no doubt occasioned much litigation—that is to say, the branch of the law which deals with the construction of Hindu wills. That is what the Honourable Mr. Justice Coutts-Trotter probably had in mind: but I would in the first place point out that the Bill contains a great deal more than the law

[Sir Alexander Muddiman.]

relating to the construction of Hindu wills. It contains the whole of the law, other than the Hindu and Muhammadan law, of succession, the whole of the Statute law of intestacy; it deals with the whole of the law regarding executors and administrators. As regards the main body of the law, I have never heard and I appeal to the members of the legal profession who are present in this Chamber in considerable numbers for confirmation, I think they will support me in that—that any general objection has ever been taken to the suitability and adequacy of the provisions to which I have referred. There have been proposals no doubt to improve them in details, but no general attack. I certainly do sympathise with the difficulties that have been felt in the construction of Hindu wills, but I submit with all respect to the distinguished opinion to which I have referred that, that is not a valid reason for delaying the present consolidation. However, if my Honourable friend the Law Member is prepared to tell me or rather to tell the House that within a reasonable period he is prepared to bring forward a Bill containing a few simple rules to suit Indian conditions to replace the law which has been in force here for many years, I shall be quite prepared, with the permission of this House, to withdraw my present motion.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): I regret, Sir, that I am not prepared to bring forward such a Bill.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: The reply of my Honourable friend is not altogether unexpected. I have had some experience myself in the preparation of Bills and I think—I have no doubt that my Honourable friend the Law Member is also of the same opinion—that the reduction of any branch of the law to a few simple rules is not a matter of simplicity. It is very difficult. I may tell the House in this connection that a distinguished Secretary of State once desired that the whole of the law relating to the Government of India should be codified in so compendious a form that it could be written on the back of a post-card. Those instructions were issued to the most distinguished draftsman in England who received them with some alarm. In the end, after years of labour, the consolidation of the Acts relating to the Government of India was effected in the form which is familiar to Honourable Members; but I think if the contents of that Act were written on the back of a post-card, the document would occasion difficulties to the postal administration.

The other objection taken was that the present consolidation would crystallise the existing law. The answer to that seems clear to me. Crystallisation of the law had already occurred when the law was embodied in an Act; whether it is in one Act or whether it is in five or more Acts does not matter. When you put the law in an Act it is crystallised, and therefore that is no objection to the present consolidation. If there has been crystallisation, it has taken place already. This Bill merely replaces a number of Acts by one Act. You had crystallisation already. Therefore I suggest that it is not in fact a valid objection.

Here again on both points I have the support of my Committee. In fact a good deal of what I have said has been inspired by the discussions I had with the very distinguished lawyers who sat on the Committee.

As regards the other opinions received on the Bill, I may say that the Bill has been examined by several authorities with great care; very valuable suggestions have been made, which fully merit the careful consideration of the Joint Committee; many of them deal with matters which

are really within the scope of a consolidation Bill. There are others which, however valuable they may be—and I do think that one or two of them are exceedingly valuable—are not within the scope of a consolidation Bill. They are suggestions for the amendment of the law and I would recommend them to the careful consideration of my Honourable friend the Law Member to whose department that branch of the work pertains and not to me as in charge of this Bill. With these words I commend the motion for the best consideration of the Chamber, and I hope the House will be prepared to accept it.

THE HONOURABLE SIR MUHAMMAD RAFIQUE (Delhi: Nominated Non-Official): I rise, Sir, to support the motion which has been made by you. If I were to say anything, it would be going over the same ground as you have gone over. I can say by personal experience that the proposed consolidation of the law which is scattered over many Acts is extremely useful. It is very inconvenient both to the practitioner and to the Bench to hunt up the law in a dozen books on any point that is under argument before a Court. Whatever difference of opinion there might be with regard to the codification of any particular law, there can be none to my mind against the consolidation of a branch of law that is contained in several Acts. I have been nominated to the Statute Law Revision Committee only lately and have attended only one meeting. This particular Bill was under consideration of the Committee at the meeting that I attended. I have not had time to go through each and every clause of the Bill; but from the discussion that took place at the time I could say that the consolidation had been made with great care. The proposal that you have made at present, Sir, to refer the Bill, as it is framed now in a consolidated form, to a Joint Committee, will no doubt lead to the more careful consideration of the Bill and rectification of defects if any. As to the objection of Mr. Justice Coutts-Trotter for whom I have great respect you have, Sir, already met it. As you have justly remarked, his objection does not apply to the consolidation but really to the state of the law as it is. He says there ought to be a few simple rules of construction. Probably that remark is made in the interests of the laymen. I have heard it said since I was a law student in England that the worst wills were made by Lord Chancellors who admittedly know the rules of construction. Human ingenuity up to this time has not been able to discover a few simple rules of construction which would render the construction and interpretation of all wills, simple and easy. There are rules in existence which are simple common sense rules enabling one to find out the intention of the testator and those who administer the law to act upon them. I think that the present Bill does very useful work by, as I say, consolidating the law that is now found in several enactments and for which both the lawyer and the judge have to consult several Acts whenever there is any difficult point in question. I therefore second the motion made by the Honourable Sir Alexander Muddiman.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, in rising to support the motion which is now before the House, I desire to offer a few brief observations regarding the suggestion made by the Madras Government based, as Honourable Members have already been informed, on the opinion of that highly experienced and learned judge, Mr. Justice Coutts-Trotter. Now, the suggestion made by that Government that the framing of a few simple rules of construction of Hindu wills would be a far better and more useful measure than the consolidation of the law relating to testamentary and intestate succession is obviously, I

[Dr. Mian Sir Muhammad Shafi.]

venture to think, without much force for a very simple reason. In the first place, the Bill now before the House seeks to consolidate not only the law relating to testamentary succession but also to intestate succession. It must be obvious even to laymen that the framing of a few simple rules of construction relating to Hindu wills can have nothing to do with intestate succession. In the second place, the framing of those rules would not even cover the whole ground in so far as the law of testamentary succession is concerned. Indeed, it would cover a very small portion of the whole ground covered by this law. It is obvious, therefore, that the framing of rules for construction of Hindu wills in no way serves the object which this measure of consolidation now before the House has in view. I venture to think that the suggestion made by the Madras Government, therefore, does not meet, and cannot possibly meet, the requirements of the case.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I have great pleasure in supporting the motion before the House. On looking at the Bill and also at the Schedule showing the enactments repealed by the Bill, I find that the Bombay Regulation (Regulation VIII of 1827), which speaks of heirship certificates has not been touched by this Bill at all. There are very good reasons, and the one that suggests itself to me at present is that this Bill proposes to be a consolidation Bill and consequently the Acts passed by the Government of India alone have been consolidated in this measure. If that be the reason, among others, I see no reason to include the Regulation VIII (Bombay) in this enactment. Otherwise, if opportunity were taken to include that measure, which in a manner trenches upon certain provisions of an enactment which proposes to deal generally with intestate property and succession, if such a Bill were contemplated, the inclusion of Bombay Regulation VIII of 1827 must be referred to. However, that does not militate against the utility of a measure of this kind, and I have therefore great pleasure in supporting the motion before the House.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, the point raised by the Honourable Mr. Karandikar deserves consideration, but this and similar other points can well be dealt with by the Joint Committee.

The only other observation that I wish to make by way of supplementing the reasons in favour of the motion before the House would be that, if an amendment of the law is necessary—and undoubtedly practitioners have felt that an amendment is necessary,—then the first step towards effective amendment must be consolidation by way of comprehensive visualising of the existing defects. The Honourable the Law Member's work in the not very distant future for taking up the work of amendment of this important branch of law in all seriousness will be simplified by amendment to an extent that ought not to be difficult to realise. Sir, if the objection had proceeded from some member of any branch of our profession, I could have understood it, because the existing chaotic condition of things helps litigation beautifully. To have the law scattered over a large number of Acts admirably suits this point of view, to those who favour it, it will be a disastrous day when a few simple rules will make the work of interpretation easy either for the Bench or the Bar. But such a millenium is not likely to be soon in view. Construction of Statutes as of deeds, is one of the most difficult branches of practice that still puzzles

the lawyer even when law has been more or less crystallised. I think, Sir, that Chief Justice, as he now is, Coutts-Trotter's objection is the best support that you can have in favour of amending the law, and if it is possible, in view of enormously differing decisions, later on to introduce what are called simple rules, I am sure the Honourable the Law Member will welcome it.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I do not propose to say anything on the need of having a few simple rules of construction based on common sense, because the point has been dealt with by you, Sir, and also by one of the previous speakers at considerable length. The principal point to which this Council will be committing itself in accepting the motion that is before it, is, first whether without going far into the field, it is desirable to consolidate the law which now is to be found scattered in a number of Acts; and secondly, if so, whether the course to be adopted by this Council should be to have a Select Committee of this Council or to have a Joint Committee consisting of gentlemen who belong to the legal profession or well versed in law representing both the Houses. On the second question, I will say, Sir, a word. There was at least one important measure before us, a bulky measure, which was referred to a Joint Committee about two years ago, I refer to the Criminal Procedure Code (Amendment) Bill. Now, those who are aware of the extent of the work involved in revising an amending Act of that character can well imagine as to what must have been the magnitude of the work undertaken by those who were on this Committee, but I am very glad to say that that work was performed very carefully with the result that this House, as is usual of course, passed the Bill as amended by the Joint Committee. But when it went to the other House, no doubt in consonance with the popular feelings represented in that House, a large number of amendments were brought forward. But all the same, if the measure had not been referred to a Joint Committee, then that Bill must have taken a much longer time than it really did in the other House last year. As you have pointed out, Sir, it is very difficult to go through a measure of this character in this House or in the other House without it being referred to a small Committee consisting of men who are acquainted with the nature of the work entrusted to them, because a small Committee can, more advantageously, go through a Consolidation Bill. Sir, I support the motion.

THE HONOURABLE DR. DWARKANATH MITTER (West Bengal: Non-Muhammadan): I rise, Sir, to support the motion. I do not see any strength in the objection of the Madras Government which is based upon the opinion of Chief Justice Coutts-Trotter. The learned Chief Justice ignores the truth of what has almost become a truism now, that however wise the legislator may be, it is impossible for him to reduce the law of construction of wills into a number of seemingly self-sufficient propositions. The learned Chief Justice also ignores the fact that a number of judicial decisions both of the different High Courts in India and of the Judicial Committee of the Privy Council have laid down during the last 60 years definite rules of construction which would apply to wills of the particular character which were before them. Every lawyer knows you cannot construe one will by the terms of another will, and the construction of wills must vary in each particular case according to the intention of the testator. Of course, you can draw or derive assistance from looking to the judicial interpretation put on the provisions of one particular will which in its nature resembles that of another will, but it would be absurd, Sir,

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if I may use the expression, to contend that the law of construction of wills which is contained in the numerous reports of the English Courts as also in the Courts in India could be crystallised into a number of simple rules as Mr. Justice Coutts-Trotter imagines.

I also agree, Sir, that for the purpose of dealing with this matter, the whole question should be referred to a Joint Committee of both Houses for, as you, Sir, have pointed out, if I may say so rightly, that it is necessary to draw upon all the available legal talent in both the Houses for the purpose of this consolidating measure.

There is one suggestion however which I make for the consideration of this House. It seems that the Hindu Disposition of Property Act of 1916 has been omitted from this Bill. As it is a matter which relates to the succession of Hindus and affects the Hindu law with regard to unborn persons, I think it might be convenient to include provisions of that Act in this Bill also.

THE HONOURABLE THE PRESIDENT: Before I put the question, I should like to say one word with reference to what has fallen from the last speaker. The point he brings forward will undoubtedly be one of the points that the Joint Committee will have to consider. It has been raised by several people.

The question is that the following motion be adopted:

"That this Council do recommend to the Legislative Assembly that the Bill to consolidate the law applicable to intestate and testamentary succession in British India be referred to a Joint Committee of this Council and of the Legislative Assembly, and that the Joint Committee do consist of 12 Members."

The motion was adopted.

THE BUDGET FOR 1924-25.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I rise to present a statement of the estimated revenue and expenditure of the Governor General in Council for the year 1924-25. At the conclusion of my remarks, copies of this statement and other connected papers will be circulated to all Members of this House, together with copies of the speech which the Honourable the Finance Member is now making in the other House. I shall therefore confine myself to a concise statement and explanation of the more important facts and figures which will be of interest to Honourable Members. On Monday last I had an opportunity of explaining the reasons which have led the Government to present the Budget Statement at this somewhat unusual hour. If it has caused any inconvenience to Honourable Members, I know they will recognise that the change has been made in the interests of the commercial public and in the interests of our officers at the Custom Houses.

Before I proceed to my main subject, I should like to refer, very briefly, to the final outturn for the year 1922-23, the year which ended on the 31st of March last. When we prepared the revised estimates for that year, 12 months ago, we estimated that there would be a deficit of Rs. 17¼ crores. The final accounts have now been prepared, and we find the actual deficit is 15 crores 2 lakhs. This difference of 2¼ crores is due mainly to savings in military expenditure, and, in particular, to the non-utilization of a sum of £800,000 which had been provided for India's share in the cost of

demobilising surplus troops. I mention this saving of 2¼ crores particularly because, in the present year, as the House will shortly learn, the difference between our revised estimate and the actuals when known, may be a matter of considerable importance, as it is a question between having a budget which balances and a small deficit. The House will remember that the Budget estimate for 1923-24, the current year, as finally fixed, provided for a surplus of 81 lakhs. The revenue was estimated at 134 crores, 90 lakhs and the expenditure at 134 crores, 9 lakhs. We now estimate that our revenue will be worse by 5 crores, 38 lakhs. Our expenditure, on the other hand will be less by 4 crores, 19 lakhs. The net result is that instead of a surplus of 81 lakhs, we estimate, on our ordinary revenue and expenditure, a deficit of 38 lakhs. We hope that that deficit may even now be removed when the final figures are before us. I said advisedly our *ordinary* revenue and *ordinary* expenditure because this estimate does not take account of a very large credit from an extraordinary windfall to which I will return later on.

This estimated deficit of 38 lakhs is perhaps less than may have been anticipated by those who may have considered merely the published returns of our large revenue-earning departments. There is no doubt that our revenue estimates were on the optimistic side. It is true they were not based on an expectation of a boom in trade, but they provided for a steady revival. That revival has been slower than we hoped, I think mainly through causes external to India. In India we have had a good monsoon, we have had on the whole good prices for most of our staple products, and with the one notable exception of the cotton mill industry in Bombay, there are distinct signs of improvement. I would like to point for a moment to the figures of the balance of trade. For the 10 months ending 31st of January last, the balance of trade, including imports of bullion, has been in favour of India to the extent of 63 crores 42 lakhs. In the preceding year it was in favour of India by 20½ crores only, and the year before that there was an adverse balance of 33 crores. I think the House will recognise that this is an important change in the right direction, especially for a country like India which has large external liabilities, and which depends on foreign markets for disposing of its surplus products. It also is most useful, as the House will realise, for the support of our currency system to have a favourable trade balance.

I will now give the House a very few details of the revenue and expenditure of the current year.

Under Customs we budgeted for a net figure of 45 crores, 10 lakhs. We expect to receive only 40 crores, 42 lakhs. That is 4 crores 68 lakhs less than the estimate. I may explain however that 50 lakhs of this is due to a decision of the Bombay High Court under which stores imported by company railways have been treated as Government stores and have therefore been exempted from payment of customs duty. Against this decision the Government of India have appealed to the Privy Council. If that decision is in our favour, we shall obtain a refund of 50 lakhs. If, on the other hand, it goes against us, we shall have to provide for refunds of about two crores to the railways. It represents the duty which they have paid under protest from the time when this question was first contested in the Courts.

Our estimates under sugar have been less by 1 crore 15 lakhs, and I think that here we must admit that we did not take sufficient account of the reduced tariff valuation of sugar which came into force at the beginning

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of January 1923. Under other items the falling off has been due almost entirely to the fall in prices which has adversely affected our *ad valorem* duties. In this way under piece-goods we shall lose 73 lakhs; under metals 58, under cutlery and hardware 35, and the cotton excise duty will be less by 38 lakhs in view of the depression of the Bombay mill industry.

Next as to Salt. We budgeted for a revenue of 11¾ crores, of which 4½ crores was estimated to be a result of the doubling of the duty. The House is well aware of the circumstances and the history of this tax. There are two circumstances which have led to our not obtaining the full amount of duty which we expected. The first is that in January and February 1923 the salt merchants took out in advance large quantities of salt in anticipation of an increase of duty on the 1st of March. We estimate that the amount so taken out beyond the ordinary requirements for consumption was 36 lakhs of maunds. In the second place, throughout the year and more especially in the later months, the salt dealers have allowed stocks in the country to run down to a minimum, no doubt in expectation of a reduction in the duty. The net result has been that the actual amount of salt issued is expected to be 380 lakhs of maunds against a normal annual consumption of 495 lakhs, and the total amount which we expect to obtain from the duty will be 8¾ crores—that is, 3 crores below the estimate.

As regards Railways, we estimated gross receipts of 95.57 crores. During the early part of the year the returns were unsatisfactory and later on there were breaches on some of the more important lines, but the returns recently have been much more satisfactory and we expect to receive in gross receipts altogether 94·22 crores—which is 1⅓ crores below the estimate. On the other hand, we have been able to effect savings in working expenses and there has been a reduction in the expenditure on Programme Revenue both of which combined will result in a saving of 1·93 crores. The net result is that from Railways we expect to receive a net return of 58 lakhs more than we had estimated. I need not trouble the House with many other items. Under Income Tax we expect to get our full return of 19 crores; from Opium 38 lakhs more than in the estimate; Posts and Telegraphs will be short by 22 lakhs. There remains one big item under "Interest, Currency and Miscellaneous." We expect under these heads to be better by 1·42 crores. This is due to the fact that the interest yield on short term money in London has been better, and we have, owing to favourable opportunities for remittance, invested larger sums in sterling securities in London. Included in the figure which I have quoted is an item of 37 lakhs which is the profit from our recent sale of gold.

On the Expenditure side we have to provide an extra item of 70 lakhs under Opium. In July last we obtained from the Assembly a supplementary grant of 77 lakhs on account of the increased outturn of the opium crop in Central India and the United Provinces. Only 70 lakhs of this will be spent. Under Interest Charges we effect a saving of 74 lakhs. This is an important item. It has mainly been due to the fact that we have been able to reduce the Budget provision for discount on Treasury Bills. Two years ago on the 31st March 1922 the amount of floating debt in the shape of Treasury Bills held by the public was no less than 54 crores. A year ago it was 22 crores. On the 31st March next we estimate that the figures will be 2 crores only. Speaking as one who for more than the last three years has been somewhat intimately connected with the handling of our daily balances, I can testify to the relief which the removal of this

incubus has given to the Government, and I feel sure that the commercial public will also be relieved since the exigencies of our short term borrowings have from time to time caused considerable dislocation to the market. Under Sinking Funds we shall not utilize the additional provision of 80 lakhs for the depreciation fund of our 5 per cent. loans, since these loans have for the greater part of the year remained above their issue price. Under other heads of civil expenditure, which were already much reduced as a result of the Inchcape Committee's recommendations, we hope to effect a further saving of 50 lakhs.

I will next refer to Military Expenditure. In the Budget we provided for gross military expenditure of 65 crores and 5 lakhs, and net military expenditure of 62 crores. The House will be aware that the full reductions have been made in combatant troops as recommended by the Inchcape Committee with the exception of one Cavalry regiment, but the resulting economies from these reductions cannot take effect fully until next year. His Excellency the Commander-in-Chief has, however, been able by means of other economies to effect a more than corresponding reduction. The established charges for military services during the current year are now estimated at 60¼ crores as compared with the figure of 61 crores and 94 lakhs which was taken in the Budget. The Inchcape Committee also recommended that by the consumption and disposal of excess military stores a non-recurring saving of 2¼ crores could be effected in the current year. The actual saving effected in this way amounts to 3 crores. There is also a further credit of an extraordinary character which comes into the current year, amounting to 41 lakhs, from the sale of certain temporary military buildings. On the other hand, the expenditure on Waziristan is estimated to be 2 crores against 1 crore and 69 lakhs taken in the Budget, and the expenditure on gratuities to demobilised officers will be 1½ crores against a provision of 62 lakhs. There is also a saving in exchange amounting to 46 lakhs. The net result is that the net military budget will be 59 74 crores, which represents a saving on our Budget Estimate of 226 lakhs.

Finally, with regard to Exchange, we budgeted for a figure of 1*s.* 4*d.* As the House is aware, exchange has been above 1*s.* 4*d.* during practically the whole of the year, and during recent months has been in the neighbourhood of 1*s.* 5*d.* On the year as a whole we shall obtain an average rate of 1*s.* 4⅛*d.* The saving in our expenditure on this account, including railways and commercial services, will be 1·28 crores. The net result is, as I have said, that our revenue will be worse by 5 crores 38 lakhs, our expenditure will be better by 4 crores 19 lakhs, and we expect at present, though we hope it may eventually be removed, a deficit of 38 lakhs.

And this brings me to the windfall. This windfall arises from the credit to India of the profits earned from the control of enemy ships and certain minor items of a similar character. All claims have not yet been settled and a few minor items are outstanding, but we are now assured of a credit to Indian revenues of the large sum of £3¾ million sterling which amounts to 4 crores 73 lakhs. In answer to a question in the House a few days ago I explained that this windfall did not represent any actual cash received during the current year. It is money which has merged in the balances of the Secretary of State and the High Commissioner for India and which has been utilised by them for their ordinary expenditure, thereby reducing our borrowings. It is obviously incorrect that an extraordinary item of this kind should be taken to meet any of our ordinary recurring expenditure, but there are just two special items to which I wish to refer. The first

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is that, following British precedent and in anticipation of any sums which may become available from Reparations, we propose to set aside next year a sum of 25 lakhs as compensation to private individuals who have suffered from enemy action. We do not consider that this would be a fair charge on our ordinary revenues, and we therefore propose to earmark 25 lakhs of this extraordinary windfall for this purpose. Secondly, there is the sum of 2 crores which, as I have already explained, we may have to pay as refunds to company railways in the event of the appeal to the Privy Council going against us. We propose for the present to hold in suspense 2 crores out of the windfall to meet this refund in case it should come due. The remainder of the windfall, which amounts to 244 lakhs, will come as a credit in the accounts of the current year which, including this credit, should show a surplus of 206 lakhs.

Before I proceed to the Budget for 1924-25, there are one or two matters of general interest to which I wish to refer. The first is the question of the separation of the railway budget from the general budget. As the House is aware a Resolution on this subject has been tabled by the Honourable the Commerce Member in the Legislative Assembly, and copies of a memorandum on the subject have been circulated to all Members of both Houses. I should only like to say that Government consider this change as one of the first importance both in the interests of general finance and in the interests of the railways. The railways will be enabled to conduct their business untrammelled by the limitations of our budget system and general finance will be able to count on an assured reasonable return from the railways unaffected by any of the vagaries of railway working. I need not tell the House in detail the arrangement which it is proposed to make; but briefly it is this, that general revenues will receive from railways first, a sum sufficient to pay interest on the capital invested in commercial lines; secondly, an additional sum of five-sixths of one per cent. on that capital; and thirdly, one-fifth of any surplus which the railways may earn. Among the papers which will be circulated at the close of my speech will be found a statement which shows how the railway contribution is arrived at for the year 1924-25, on the basis of this new arrangement and also, a comparison showing what the contribution to general revenues would be on the old basis. Briefly, the position is this, that under the new system general revenues will receive 427 lakhs; under the old system they would have received 416 lakhs. But I should add that this latter result is only arrived at by a device of spreading over ten years a payment of 3 crores which is really due now, in order to write down to their proper value certain railway stores, the legacy of the war, which are either obsolete or standing above their proper value. If the railway budget is separated, the railways will be able to build up reserves out of which they will, like any other commercial concern, be able to write down the value of these surplus stores; but otherwise the obligation falls on general revenues and it is impossible in our present financial condition to find a sum of 3 crores in one year for this purpose. For this reason, we have had to resort, or rather may have to resort, to the somewhat unsatisfactory device in the event of non-separation.

Another subject to which I wish to refer very briefly is the provision for avoidance or redemption of our debt. Hitherto, all the items which partake of this character have been scattered over different portions of the budget; and the result has been that their adequacy has never been sufficiently emphasised or recognised. We propose for the first time to bring together

in one place all these items. Taking the figures for the current year, we have first the depreciation fund for our 5 per cent. loans; this, as the House knows, is a sum equal to 1½ per cent. of the face value of the loans issued; that amounts to 74 lakhs. Then there is the additional provision of 80 lakhs which we have set aside for the same purpose during the last two or three years. Besides this, we have the annual instalment of the principal of India's war contribution amounting to £442,900 and the capital portion of the Railway Annuities and sinking funds which amounts to another £1,544,300. The total of these items converted at 1*s.* 4*d.* is 452 lakhs, or, if we omit the 80 lakhs additional provision which has not been utilised this year and allow for exchange, 363 lakhs. In the coming year the figures will be slightly different. The figures will be 465 lakhs or, omitting the provision of 80 lakhs, it will be 385 lakhs.

Now, in the course of the year the Government have examined this question in relation to the total amount of our debt and the different classes of that debt. They have applied to those different classes different criteria—to productive debt applying a certain period in which it should be redeemed, another period for unproductive debts on account of deficits, another period for the unproductive debt for Delhi; and the result of that examination has shown that the amount which is required under any reasonable criteria would not exceed roughly 4 crores, which is practically the same as the figure of our obligatory payments. This indicates that it is unnecessary for us to continue in the next year the additional provision of 80 lakhs for the depreciation fund for our 5 per cent. loans, a conclusion which we have arrived at independently from a consideration of the circumstances of the present year, when the loans have been standing for the greater part of the year well above their issue price.

There is just one other matter before I proceed to the Budget, the question of customs duty on Government stores. The House is aware that a Bill has been introduced in the Legislative Assembly to rescind the proviso to section 20 of the Sea Customs Act, which exempts Government stores from customs duty. The object of this Bill is to remove a disability under which Indian industries suffer from the fact that our purchasing departments do not always take into account fully the customs duty in comparing the prices of stores ordered in England with stores purchased in India. But I propose to look at the question solely this evening from the point of view of the budget; and the effect on our budget will be this, that we shall receive an additional customs duty of 163 lakhs; on the other hand, we shall have to add to the expenditure of our different departments 53 lakhs, 25 of which is under military and 22 by way of assignments to Provincial Governments who will be required to pay duty on their imported stores. Of the remainder, 90 lakhs relates to stores imported by company railways, who, as a result of this Bill, will be placed in exactly the same position as they were before the Bombay High Court decision. Of the remaining 20 lakhs, 11 lakhs is for stores imported by State Railways on capital account; Government have thought it right to set aside as a special contribution from revenue to capital account a sum of 11 lakhs in order to avoid the inflation of railway capital for the benefit of revenue. With regard to company railways they do not propose to make this alteration at present, as we shall merely be restoring the previous position in respect of company-managed lines, but they will give this matter their further consideration.

There is still one other item before I come to the budget, that is the question of what rate of exchange we should take for next year. This

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matter is one of very considerable difficulty and Government must disclaim any intention to prophesy; during the current year we budgeted for 1*s.* 4*d.* and we have obtained 1*s.* 4½*d.* Our sterling position is undoubtedly strong, and on the whole, again I emphasise without any intention to prophesy, Government consider it reasonable to take a figure slightly in excess of the present year's average. I may say that every farthing makes a difference of 44 lakhs in our expenditure (excluding Railways). The Budget for 1924-25, therefore, will assume a rate of exchange at 1*s.* 4¾*d.*

I now come to the Budget for 1924-25, and I do not propose to keep the House in suspense. I will tell them first the general result. The general result is that, if taxation remains unchanged, that is assuming for the moment that the salt tax remains at Rs. 2-8-0, we estimate that there will be a surplus of 3 crores 36 lakhs. If, however, the salt tax is reduced to Rs. 1-4-0, that surplus will be practically wiped out and we shall be left with a nominal surplus of 4 lakhs. If the salt tax were taken at Rs. 2-0-0 we should have a surplus of 1 crore 54 lakhs.

I will now give the House a very few details of our estimated expenditure and revenue before returning to this question of the surplus. First as to military expenditure, the gross military expenditure for next year is estimated at 63 crores and the net military expenditure at 60¼ crores, allowing for a saving in exchange of 68 lakhs. The figures which I will mention now are quoted at 1*s.* 4*d.* for purposes of comparison. The established charges for military services have been reduced in the military Budget to 59 crores, which includes 25 lakhs for customs duty on military stores. This figure of 59 crores—I should say 58¾ crores—should be compared with the figure entered in the last year's Budget of 61 crores 94 lakhs and with our revised estimate of 60¼ crores. There is one figure also with which I should like to compare it, and that is the figure for established military charges recommended for the current year's budget by the Inchcape Committee. That figure is 59 crores 38 lakhs, so that the established military charges are already considerably below the Inchcape figure. It must be recognised of course that in the Budget for next year we cannot obtain the non-recurring saving of 3 crores from the consumption of excess stores, nor can we get the 41 lakhs from the sale of temporary buildings. We have also a charge of 30 lakhs for roads and buildings in Waziristan, and 1 crore and 63 lakhs for gratuities to demobilised officers. The net result is, as I have said, that the Military Budget, allowing for Exchange, will stand at 60¼ crores.

On the civil side we have given effect to practically all the Inchcape Committee's recommendations. We have allowed for the first time an item of 20 lakhs for new Civil works. For several years past we have made no provision whatever for new Civil works, but now we consider that the revenue position justifies our making a small beginning, as there are a large number of important and beneficial works which had been held up through lack of funds.

On the revenue side, we are taking the customs revenue at 45 crores 2 lakhs, which is 8 lakhs less than last year, but which includes the figure of one crore 63 lakhs from customs duty on Government stores. We have also taken into account the fact that the tariff valuation of sugar has been increased from the 1st January last; on other items we have only provided for a small increase over the amounts received in the current year. Under taxes on income we have had to write down the figure for the current year by about 85 lakhs. This is due entirely to the depression in the

Bombay mill industry. The figure we have taken is, therefore, 18 crores 22 lakhs. The working of the Post and Telegraph Department will, we estimate, result in a net profit of 24 lakhs and in the detailed estimates will be found an attempt at a Profit and Loss Account which arrives at this result. We also propose to continue for another year the provision for credit to general revenues of the interest on the investments in the Paper Currency Reserve and the excess of the Gold Standard Reserve over £40 millions, which we consider is required by our present revenue position and is justified by the strength of our Reserves.

I think that those are all the detailed figures which will be of special interest to the House except Salt. The salt revenue is particularly difficult to estimate this year for three reasons: first, because stocks have been run down to a minimum; secondly, because the rate at which those stocks will be replenished depends on the rate of duty which may be taken. The lower the rate of duty the faster will be the rate of replenishment, and, if the duty is reduced to Rs. 1-4-0 we expect the rate of replenishment will be very rapid. Thirdly, there is the effect of our credit system under which large quantities of salt pay duty at a rate in force 6 months before. The net result, so far as we can estimate it, is that, if the salt duty remains at Rs. 2-8-0, we shall obtain a revenue of 12 crores 37 lakhs. If it were reduced to Rs. 2-0-0 we should obtain 10 crores 55 lakhs, and if it were reduced to Rs. 1-4-0 we should obtain 9 crores 5 lakhs. But I would point out that of this 9 crores 5 lakhs, no less than 2 crores 16 lakhs will be non-recurring owing to the fact that we expect a large replenishment of stocks over and above a normal year's consumption and also owing to the operation of our credit system, under which a large amount of salt will be paying duty at Rs. 2-8-0. What rate of duty, then, is Government going to recommend? As I say, if a rate of Rs. 1-4-0 is taken, it means that in the next year we shall have to make up a sum of 2 crores 16 lakhs before we can arrive at a surplus. I ask the House to consider what chances in these circumstances there would be of any remission of the provincial contributions not only in the next year but in the following year too if the salt duty is reduced to Rs. 1-4-0. Then as to the rate of Rs. 2-8-0, this rate was introduced owing to the paramount necessity of balancing the Budget. Government recognise that it was a rate of duty which was not accepted by the Assembly. There remains the middle course, to take the salt duty at Rs. 2-0-0. After most careful consideration, and after consultation with, and with the full approval of, the Secretary of State, the Government of India recommend that the salt duty should be reduced to Rs. 2-0-0. This would leave a surplus of 1 crore 54 lakhs, and if this recommendation is accepted by the House, the Government's further recommendation is that 1½ crores of this surplus should be devoted to the reduction of provincial contributions. From this Madras will receive in round figures 80 lakhs, the Punjab 38, the U. P. 30 and Burma 2 lakhs.

In the Finance Bill which will shortly be in the hands of Honourable Members they will find no new proposals for taxation. There are however two items which are worth mentioning. One is that the import duty on motor spirit is being reduced to 4½ annas a gallon, and it is proposed also to reduce the excise on petrol to the same figure. We hope that the increase in consumption which should result will prevent us from suffering any loss in revenue from this source. The other proposal is, in order to safeguard our customs revenue from matches, to put a specific duty on imported splints which are used for match making and also on imported match boxes.

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Before I conclude, Sir, I should like just to say a few words about our Ways and Means. The House will recognise that this is in some respects; the most important part of the Budget. It does in fact disclose the consequences of our revenue and expenditure position. During the current year we have met sums of 23½ crores for railway capital expenditure, 3 crores roughly for Delhi and Irrigation, and Posts and Telegraphs. We have redeemed 5 crores of our funded debt. We have lent to Local Governments 11⅓ crores, and we have extinguished 19½ crores of Treasury Bills. We have accomplished this mainly by raising a rupee loan of 23 crores and a sterling loan of £18 millions, and we have been considerably helped also by returns from Cash Certificates and deposits in the Post Office Savings Bank. With regard to our remittances to England, we have introduced a new system by which the sales of Council Bills are supplemented by purchases of sterling in India through the Imperial Bank, and I think that the remittances which we have sent of £26¾ millions, have in this way been made with less disturbance to the exchange market than would otherwise have been the case. We have also during the recent busy season remitted a sum of Rs. 12 crores to London against the issue of paper currency out here in order to relieve money stringency, and we start the year with £14 millions in our sterling reserves in England. With regard to next year we have no funded debt to meet, and we shall have on the 31st of March very large balances. We have made full provision for a Railway programme of 30 crores and 3 crores for Delhi, irrigation and Post and Telegraph Capital outlay; we have provided for wiping out the remaining 2 crores of Treasury Bills, and for lending to Local Governments 13¾ crores, which is all that they have asked for. We have not taken into account any large receipts from Cash Certificates as it will probably be necessary to reduce their yield shortly in view of the better rates we are obtaining for our loans. We count on being able to meet all these obligations without further sales of Treasury Bills, without any sterling borrowing and by raising a rupee loan of not more than 20 crores.

I hope that the House will agree that this record of our revenue and expenditure and of our Ways and Means is not altogether unsatisfactory. It is true that we have in the not distant future to face very large payments of our short term bonds and we have still large obligations to the Provinces. We are still crediting to revenue the interest on our Paper Currency investments. We have still arrears of useful expenditure which has been held up. There is no case for relaxing effort; but I think that we may fairly claim now that we have turned the corner, and that we have passed for ever the era of unbalanced budgets. Finally, I can only thank the House for having given me their attention for so long.

THE HONOURABLE THE PRESIDENT: Have all Honourable Members received their Statements? Has the Leader of the House any statement to make?

STATEMENT OF BUSINESS FOR THURSDAY, THE 6TH MARCH AND FRIDAY, THE 7TH MARCH, 1924.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, Tuesday, being a gazetted holiday for *Sheoratri*, the next meeting of this Council for official business will be on Thursday, the 6th March, when motions will be made that the Bills, which were recently passed by

the Legislative Assembly and laid on the table in this Chamber to-day, be taken into consideration and passed. Friday, the 7th of March, as already announced, has been allotted for the general discussion of the Budget.

THE HONOURABLE THE PRESIDENT: I understand there is no non official business for Monday, but there is non-official business for Wednesday. Therefore I adjourn the House till Wednesday at 11 A.M.

The Council then adjourned till Eleven of the Clock on Wednesday, the 5th March, 1924.

COUNCIL OF STATE.

Wednesday, 5th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN:

The Honourable Mr. James Rea Martin (Bombay: Nominated Official).

QUESTIONS AND ANSWERS.

STATIONS ON THE E. I. RAILWAY UNDER INDIAN SUPERINTENDENTS OR STATION MASTERS.

112. THE HONOURABLE MR. ALI BAKSH MUHAMMAD HUSSAIN: With reference to the reply to unstarred question No. 67 of this Session of the Legislative Assembly, will the Government be pleased to state the names of first class or special class stations on the East Indian Railway under Indian Superintendents or Station Masters?

THE HONOURABLE MR. D. T. CHADWICK: A statement giving the names of "Special" and 'A' Class stations on the East Indian Railway where Indian Station Masters are employed is laid on the table. No stations on this railway are designated first class.

List of the "Special" and "A" Class stations where Indian Station Masters are employed on this Railway.

SPECIAL CLASS.

Chandernagore.	Dhanbad
Khana Junction.	Bhagalpur and
Giridih.	Arrah.
Barakar.	

"A" CLASS.

Uttarpara.	Panagar.
Serampore.	Durgapur.
Tarkessur.	Kulti.
Bhadreswar.	Jamtara
Chinsurah.	Jasidih Junction.
Katwa.	Simultollah.
Hooghly.	Baidyanath Dham.
Magra.	Bolpur.
Pundooah.	Sainthia.
Boinchee.	Dubrajpur.
Mamari.	Suri.
Saktighar.	Malhati
Mankar.	Azimgunge.

"A" CLASS—*contd.*

Pakur.	Hazaribagh Road.
Barharwa	Chunar.
Rajmahal.	Naini.
Sakri Ghat.	Manikpur.
Monghyr.	Fatehpur.
Bukhtiarpur.	Bindki Road.
Digha Ghat.	Phaphund.
Behea.	Shikohabad.
Dumraon.	Khurja Junction.
Buxar.	Khurja City.
Sasaram	Delhi Shahdara.
Dehri-on Sone.	Subzimundi.
Sone East Bank.	Sonepat.
Gujhandi.	Panipat and
Kodarma.	Kurukshetra Junction

MINIMUM AND MAXIMUM PAY OF STATION SUPERINTENDENTS AND STATION MASTERS ON THE EAST INDIAN RAILWAY.

113. THE HONOURABLE MR. ALI BAKSH MUHAMMAD HUSSAIN: Will the Government be pleased to state:

(*a*) the minimum and the maximum pay of the posts of Station Superintendents and Station Masters;

(*b*) number of posts of Station Superintendents and Station Masters over the East Indian Railway;

(*c*) the number of posts of Station Superintendents held by Indians; and

(*d*) the number of posts of Station Masters held by Europeans and Anglo-Indians?

THE HONOURABLE MR. D. T. CHADWICK:

	Minimum.	Maximum.
	Rs.	Rs.
(*a*) Station Superintendents	550	600
Station Masters	52	530

(*b*) Station Superintendents 4; Station Masters 497.

(*c*) Nil, but there are 7 "Special" and 56 "A" class stations on the railway where Indian Station Masters are employed.

(*d*) 31.

RETRENCHMENTS IN THE GOVERNMENT OF INDIA SECRETARIAT.

114. THE HONOURABLE MR. ALI BAKSH MUHAMMAD HUSSAIN: Will the Government be pleased to state the number of posts retrenched from the Government of India Secretariats of each of the following categories:—

(*a*) posts carrying salaries of Rs. 500 and above per mensem;

(*b*) posts carrying salary from Rs. 50 and above up to Rs. 499 per mensem; and

(*c*) posts carrying salary of Rs. 49 and downwards up to Rs. 8 per mensem?

THE HONOURABLE MR. J. CRERAR: The information required by the Honourable Member is as follows:

(*a*) 34 (Including the post of second Deputy Secretary in the Legislative Department which was held in abeyance from the 3rd April 1923 but has since been revived as a temporary measure).

(*b*) 154.

(*c*) 226.

OVERBRIDGE OR TUNNEL AT THE LEVEL CROSSING, SHIKARPUR.

115. THE HONOURABLE MR. ALI BAKSH MUHAMMAD HUSSAIN: (*a*) Is it a fact that one of the main roads of Shikarpur, Sindh, crosses the railway line?

(*b*) If so, are the Government aware that, owing to the want of an overbridge or tunnel, carriages and motors are detained at the gates by watchmen for long hours especially when trains are shunting?

(*c*) Are the Government aware that, owing to the want of such an overbridge or tunnel, human lives are also in danger?

(*d*) If not, will they be pleased to inquire?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) Yes.

(*b*) Carriages and Motors are inevitably detained at the crossing, when trains are working across it, but our information is that the detention is not for long periods.

(*c*) As the gates are closed, during the period when the crossing is occupied by trains, and watchmen are also provided to prevent pedestrians from using the crossing at such times, there is no danger to human life.

(*d*) Does not arise.

SHELTER FOR PASSENGERS ON THE PLATFORM OF THE SHIKARPUR RAILWAY STATION.

116. THE HONOURABLE MR. ALI BAKSH MUHAMMAD HUSSAIN: Is it a fact that there is no shade on the platform of the railway station, Shikarpur, Sindh? If so, will the Government be pleased to state the reasons for not erecting a shade for passengers at that station?

THE HONOURABLE MR. D. T. CHADWICK: It has been ascertained that no shelter has been provided on the platform of the railway station at Shikarpur. All important trains pass through at night. Out of 10 passenger trains daily, only two pass between the hours of 9 A.M. and 5 P.M. There is ample shelter off the platform for passengers who may have occasion to wait at the station for trains.

WAITING ROOM AT SHIKARPUR FOR 1ST AND 2ND CLASS LADY PASSENGERS.

117. THE HONOURABLE MR. ALI BAKSH MUHAMMAD HUSSAIN: (*a*) Is it a fact that there is only one waiting room for 1st and 2nd class passengers at the Shikarpur railway station?

(*b*) If so, are the Government aware that, owing to the want of a waiting room for the 1st and 2nd class lady passengers, much inconvenience is felt by the travelling public of Shikarpur?

(*c*) Do Government propose to construct another waiting room for 1st and 2nd class lady passengers?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) Yes.

(*b*) (*c*). The necessity for a waiting room at Shikarpur for first and second class lady passengers will be investigated by the Railway Administration.

LONGWOOD HOTEL, SIMLA.

118. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Would the Government please state for what purpose, at what cost and when the Longwood Hotel at Simla was acquired?

(*b*) Would the Government please state how it has been occupied since?

(*c*) Is it a fact that the most desirable portions of the Hotel are usually not placed at the disposal of the Legislative Department for the occupation of the Members of the two Houses of the Legislature, for whose use the Hotel is supposed to have been intended?

(*d*) If this be a fact, would the Government please state who are allowed to occupy the portions mentioned and at what rent, and how do such rents compare with the rents paid by the Members of the Legislature?

(*e*) Is it not a fact that occupation of these portions of the Hotel by persons other than Members of the Legislature would seriously interfere with the occupation of the remainder of the Hotel by Members of the Legislature during the Legislative Session in Simla?

THE HONOURABLE MR. A. H. LEY: (*a*) Longwood Hotel was purchased for the use of Members of the Legislature in December 1920 at a cost of 5 lakhs. Since then, a further sum of roughly two lakhs has been spent in constructing new quarters and improving the old ones.

(*b*) It has since been occupied partly by Members of the Legislature and partly by Government officers. It has been found unnecessary and would be very uneconomical to reserve the whole hotel for Members of the Legislature.

(*c*) The question, which are the most desirable portions of the hotel, is a matter of individual taste. Experience shows that the quarters which are most sought after are the self-contained cottages. These are reserved exclusively for Members of the Legislature during the Sessions. The only quarters which are not so exclusively reserved for Members are the upper flats of what is known as the old block and the new block. These consist of rooms in rows approached from a common verandah, and have not the same amount of privacy as the detached quarters. They are available for the use of Members of the Legislature if not occupied by Government officials.

(*d*) The quarters referred to are occupied by Government officials on duty with the Government of India in Simla. The rents charged for these quarters are shown in the statement which I place on the table.

(*e*) Government are not aware that the occupation of the quarters referred to by officers of the Government of India interferes with the occupation of the remainder of the hotel by Members of the Legislature. Indeed in the past year applications were not received to the full extent of the quarters made available for Members of the Legislature.

Rents for Quarters in Longwood Hotel, Simla.

Quarter No.	Amount of rent charged to members per month.	Amount of rent charged to officers per month.	Quarter No.	Amount of rent charged to members per month.	Amount of rent charged to officers per month.
	Rs.	Rs.		Rs.	Rs.
1	255	120	28	150	60
2	240	120	29	150	60
3	240	120	30	150	60
4	240	120	31	150	180
5	240	120	32	150	
6	240	120	33	145	60
7	155	60	34	145	60
8	155	120	35	145	60
9	240	120	36	145	45
10	255	120	37	155	60
11	155	60	38	145	60
12	155	60	39	145	60
13	145	60	40	145	60
14	155	60	41	145	60
15	155	60	42	145	60
16	155	60	43	145	45
17	155	60	44	145	60
18	155	60	45	145	60
19	155	60	46	155	60
20	155	60	47	145	60
21	155	60	48	145	60
22	155	60	49	145	60
23	155	60	50	145	60
24	155	60	51	145	60
25	155	60	52	145	45
26	150	120	53	145	60
27	150		54	145	60

BILL, AS PASSED BY THE LEGISLATIVE ASSEMBLY, LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with rule 23 of the Indian Legislative Rules, I lay on the table a copy of a Bill to amend certain enactments and to repeal certain other enactments which was passed by the Legislative Assembly at its meeting held on the 1st March 1924.

ELECTION OF THE SELECT COMMITTEE ON THE AMENDMENT OF THE STANDING ORDERS OF THE COUNCIL OF STATE.

THE HONOURABLE THE PRESIDENT: Up to 11 o'clock to-day, which was the time fixed for receiving nominations for the Select Committee on the Amendment of the Standing Orders, I have only received seven names, and, as there are only seven Members to be elected, it is unnecessary to have an election. I therefore declare the following Members duly elected to serve on the said Select Committee:

The Honourable Dr. Mian Sir Muhammad Shafi,

The Honourable Mr. J. Crerar,

The Honourable Mr. G. A. Natesan,

The Honourable Dr. Sir Deva Prasad Sarvadhikary,

The Honourable Sardar Charanjit Singh,

The Honourable Sir Maneckji Dadabhoy, and

The Honourable Saiyid Raza Ali.

Under the rules it now remains for me to nominate one of the Chairmen of the Council to be a Member, and, if the Right Honourable Srinivasa Sastri will serve on the Committee, I shall have very great pleasure in nominating him.

THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI: (Madras: Non-Muhammadan): I have great pleasure in accepting the nomination.

THE HONOURABLE THE PRESIDENT: I then nominate the Right Honourable Srinivasa Sastri to complete the Committee. The Committee is then duly constituted under the Standing Orders.

THE HONOURABLE SARDAR JOGENDRA SINGH: (Punjab: Sikh): Sir, I have the pleasure to move:

"That this Council recommends to the Governor General in Council . . . "

DISCUSSION OF THE BUDGET ON FRIDAY AND SATURDAY, THE 7TH AND 8TH MARCH.

THE HONOURABLE THE PRESIDENT: Would the Honourable Member mind waiting for one second? I thought the Honourable the Leader of the House was going to bring a certain matter before the House, but he was waiting for me to do so. The point is this. As Honourable Members are aware, the Budget discussion in this Council is fixed for Friday, the 7th. It has been represented to me by the Honourable the Leader of the House, acting, I believe, also on behalf of the Honourable Member in charge of Education, that the educational authorities of the Delhi University have fixed its Convocation for the afternoon of that day. As Honourable Members are aware, the date for the discussion of our Budget is fixed by His Excellency the Viceroy. Therefore I have no power whatever to help in the matter. But if the House unanimously expresses the opinion that it desires some other arrangement to be made (and the arrangement which has been suggested to me is that the House should meet on Friday, as at present arranged, and sit till, say, 1-30 p.m., and then sit again on Saturday till 1-30 p.m.), the Council will thus have

a full day for the discussion of the Budget and will also have an opportunity of attending this educational function which is taking place in the Assembly Chamber. But it must be clearly understood that if there is an objection on the part of even one Member over this change in date, I cannot agree to His Excellency being approached in the matter, and even if His Excellency is approached, the matter rests entirely with him. I daresay the Honourable the Law Member will be able to assure the House that any change in date would be within the powers of His Excellency. I therefore desire to invite an expression of opinion from the House as to whether it would desire action to be taken in the sense that I have indicated.

THE HONOURABLE SIR MANECKJI DADABHOY: (Central Provinces: General): Sir, I believe there is general agreement on the subject that we should avail ourselves of the opportunity of being present at an important Convocation like that of the Delhi University. I think the suggestion made by the Leader of the House meets with the sentiments and opinion of everybody here, and it would be very convenient to all that the Budget debate should take place on Friday next in the morning and be postponed then till Saturday. I do not believe it will cause any inconvenience to any Member of this House.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: (West Punjab: Muhammadan): I think, Sir, we are all of the same opinion.

THE HONOURABLE THE PRESIDENT: I think then that it is the unanimous wish of the House that that arrangement should be made subject to the Honourable the Leader of the House being able to obtain His Excellency the Governor General's orders on the subject.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: (Law Member): I will communicate the wish of the House to His Excellency and I hope, before the rising of the Council to-day, to be able to communicate His Excellency's orders in this connection to the Council.

THE HONOURABLE THE PRESIDENT: Very good, let that be so, and if the Honourable the Leader of the House is unable to obtain His Excellency's orders before we rise to-day, no doubt he will let us have it to-morrow. We are sitting to-morrow.

THE HONOURABLE THE PRESIDENT: The Honourable Sardar Jogendra Singh—I apologize for having interrupted the Honourable Member.

RESOLUTION *RE* SURVEY OF IRRIGATION POSSIBILITIES AND THE ORGANISATION OF POWER LIFT IRRIGATION FROM WELLS.

THE HONOURABLE SARDAR JOGENDRA SINGH: Sir, I move:

"That this Council recommends to the Governor General in Council to arrange for a fresh survey of our irrigation possibilities, both from the rivers and the wells in the light of scientific advance and to frame a programme particularly providing for the organisation of power lift irrigation from the wells."

To the zamindar Members of this House in touch with the land conditions, to the district officials who have spent their days in the villages and to those who are also interested in agriculture, I think my Resolution needs

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very little explanation. We all know that the monsoons are very uncertain. Sometimes we get timely rain but more often they are untimely and uncertain and when the rains fail the crops die out and we are faced with famine. The only possible protection against famine and to guarantee proper food to the country is to extend irrigation to its utmost possible limits. Those of us who have had anything to do with famine relief in the United Provinces or in any other province know what it means when the rains fail and the crops die out and thousands of people flock to the relief works. To them I need not emphasise the importance of extending irrigation and making use of the new methods of irrigation which science has discovered in lifting water or in tapping supplies which now run to waste. I think, Sir, on this point I can do no better than quote from "India in 1922-23" in which Professor Rushbrook-Williams in a very illuminating paragraph sums up the whole position thus:

"In the tropics cultivation can be, and in many cases is, effected by natural rainfall only, but there are many parts in which the artificial watering of some portion at least of the crops is essential. Every season the rainfall in some parts of India is insufficient to mature the crops; while in other parts of India the rainfall which in a normal year may be sufficient is liable to uneven distribution throughout the season, or to such serious deficiency as to render the tract concerned famine stricken in the absence of artificial protection. The India. Irrigation Commission, which sat from 1901 to 1903, recorded that between the area in which the annual rainfall is invariably sufficient, and that in which it is so scanty that no agriculture at all is possible without an irrigation system, there lies a tract of nearly a million square miles which, in the absence of irrigation, cannot be deemed secure against the uncertainty of the seasons and the scourge of famine."

There are a million square miles unprotected and to these we must extend irrigation. That is what Professor Rushbrook-Williams points out in his recent book, "India in 1922-23."

Again, Sir, the Irrigation Commission, with which were associated some of the most remarkable men, men like Sir Denzil Ibbetson, Sir Muir-Mackenzie, Sir Thomas Higham and Sir Patrick Fagan, men deeply interested in the promotion of agriculture, came to the conclusion in paragraph 93 of the Irrigation Commission's Report as follows:

"It has often been urged that the indirect advantages of irrigation in India are so great and incontestable that the question of the direct financial return which may be anticipated on the capital outlay is one of minor importance to which very little regard should be paid. This proposition is not likely to commend itself to those who are responsible for finding the large sums of money required for the construction and maintenance of irrigation works; and it seems desirable to form a clear idea of the nature of the indirect advantages which are claimed for irrigation works, and of their comparative, if not absolute, value to the State in different circumstances. These advantages are of three kinds, each of which must be considered separately:—

(*a*) The increase in the general wealth and prosperity of the community resulting from the increase in the produce of cultivation due to irrigation even in years of normal or more than normal rainfall.

(*b*) The effect of irrigation and of large water, storage works in increasing the humidity of the air, and in raising the level of the underground water-supply.

(*c*) The prevention or mitigation of the horrors and the cost of famine."

I need hardly say more, Sir. Irrigation is the greatest necessity in India. Since the report of the Irrigation Commission was written, nearly twenty years have gone and a great deal of work that was then put down in the programme has been accomplished. We have got two or three new systems of irrigation which have brought thousands of acres under

cultivation. But the scope is still unlimited. There are new ways to be examined and new areas to be taken into consideration, particularly, I want to invite the attention of the House to three things.

One is that even on the existing systems the abundant monsoon supply is allowed to run to waste. I am assured by engineers, who are in touch with irrigation possibilities, that the whole of this supply can be utilised. Those of us who are now concerned in growing cotton for the Empire know that cotton is one of the main *kharif* crops, and if the whole of the supply that is available from the rivers during the monsoon be utilised, I think that India can meet the needs of the Empire in the matter of cotton.

Then there is the great and more important question of well irrigation. The Irrigation Commission in its report pointed out clearly that, though there might be some limit so far as irrigation from rivers was concerned, yet so far as regards irrigation from the wells, they could easily say that if the necessary capital and enterprise were forthcoming the irrigation from the wells could be quadrupled. That was an opinion arrived at by the Commission after careful consideration, and, so far as I am aware, I have not been able to obtain any figures, whether the recommendations of the Commission have been carried out regarding the extension of irrigation from the wells. In the year under review, the report is not able to say if any extension has taken place, but it is said therein that in the report of the Irrigation Commission, which was published some twenty years ago, it was stated that there were approximately 2½ million wells in India irrigating some 12 million acres. The capital investment on these wells was probably 100 crores, but since then I have not been able to discover if any extension has taken place. Perhaps the Honourable Member in charge will be able to enlighten the House what effect has been given to the recommendations of the Irrigation Commission regarding the extension of well irrigation. As I have already pointed out, since the report was written it has been discovered that lift irrigation even from the existing wells can double the irrigated area. It is impossible for the villagers to raise the capital to organise power pumping without outside assistance and to secure the necessary skill to supervise lift irrigation from wells. Here again you want expert opinion which will help the Government to organise well irrigation and provide litt irrigation.

The third question, which needs very careful consideration by a committee of experts, is the question of water-logging in some areas. We put all the water that is available on the land and most of this water runs down to the subsoil raising the subsoil levels. It must be within the reach of engineers to trap this supply and make it available for irrigation. There again the need for expert opinion is urgently felt. Then, Sir, if I may hazard an opinion, in these days when we are all busy with constitution making and very often forget the realities of life not only do the people forget, but I think even the Government of India, carried away by the eloquence that flows on the floor of the two Houses, very often forget that the Country needs something more than mere eloquence. The people want something to be done, and things that need doing in these years of progress are not being attended to. During the last five years, in the domain of agriculture and irrigation I have not seen very much speeding up of the programmes. Projects that were before the Government have certainly been taken up; and some of them have been carried out, but hardly any attempt has been made to study the question afresh and find out new ways of meeting the needs of the hour. The

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Irrigation Commission in 1900-1901 held that, in order to protect the population that we had, it was necessary to have at least ·4 of an acre per head protected by irrigation. I think it is the very lowest estimate which they made. The population has since increased and the expense of living and production have also increased, the lowest possible area therefore that would protect the population would not be less than one acre per head of the population. During the last twenty years we have raised the irrigated area from ·12 to ·9 for an acre per head. It is progress certainly but when you look at the immensity of the country, it cannot be said that the progress during the last twenty years has been adequate to the needs of the country. There is another factor which I want to bring to the notice of the House. Sir Ganga Ram who has been very carefully considering these questions estimates the production of cereals in India at 81 million tons and the amount required for the country at 79 million tons. The margin left, according to him, is only 2 million tons for a population of 319 millions, which means not even the supply of one month, if the crops fail, and the truth has forced itself upon the attention of the public whenever the rains have failed and famines have followed. This is a narrow margin. Is the Government justified in not increasing production and finding out all the available ways and means of doing so, so that the whole population of India may be able to have sufficient food? The extension of the area under irrigation to at least one acre per head of the population is absolutely necessary. Another fact which has been puzzling me is the question of exports of food grains from India. I have always been a free trader. I believe that free trade is the best possible way of linking up different countries and bringing about a better understanding between the people. There is one thing that has come to my notice now which puzzles me. Before the War India was able to export 4 million tons of cereals. After the War our exports have not risen over one million tons, and yet the whole of the food supply is now absorbed in the country. Is it that before the War India was exporting foodstuffs and starving itself? If it did not starve itself, how was it possible for it to manage an export of 4 million tons, while now it cannot export more than one million tons? One does not see any signs of any large stocks being held in the country? The whole question of irrigation and agriculture is connected with the question of food production. As to the question of food production, people who know the villages know how urgent and essential the question is. I think a very great object lesson was provided by the Baby Show here, for people, who could not go to the villages, had an opportunity of seeing the condition in which the people outside live. Are you satisfied with the condition in which they are now living? Do you not want to better their condition, and, if you do, is there any other way than increasing food production, which means water for crops? Proper irrigation at the proper moment is needed for the proper growing of the crops. Those of us who are interested in gardening and growing flowers know the part that proper watering and manure play in raising flowers. Crops need the same interest and the same care if they are to be fully grown; that is why our yields are low and uncertain. Irrigation is not available at the proper time. Even proper seed is not available. Without irrigation, proper seed and manures our soil can never produce all that it should produce. Then, Sir, out of the whole area under cultivation so far only 57 million acres are irrigated and 225 million acres are unirrigated That again indicates the immense field there is, before the Government and the people, to extend irrigation to the remaining area.

I think, if we took up the question of bringing waste lands under cultivation and bringing irrigation where irrigation is not available, we would automatically solve the question of emigration to other countries. We have at present 130 million acres of culturable waste, 59 million acres of unclassed forest land. If these areas were brought under irrigation, they would add immensely to the wealth of the country. Any one who travelled from Karachi to Lahore 20 years ago will remember the treeless desert which has now been converted by irrigation and is yielding rich crops. The whole area is now under cultivation, and the lands yield millions of maunds of wheat, cotton and other crops, adding immensely to the wealth of the country. The same can be done in other parts of India. Irrigation can be extended from rivers, wells, from tanks and in hundreds of other ways. If you look at what is going on in America, you will be surprised that water in some places is pumped up from something like 200 feet. Here in India we fight shy of 50 feet. In fact the Agricultural Departments of various provinces have been talking about tube wells for the last 20 or 30 years, but if you went into the question you would find that the tube irrigation does not cover even 20,000 acres in all the provinces taken together. No attempt has been made to organise tube well irrigation. It is not that the tube well fails or the sub-soil fails but there is no organisation to manage the tube wells and the pumps. The Committee could propose the necessary organisation for arranging power pumping under proper supervision. It is not that we have not an immense water supply. The Irrigation Commission in their report point out that out of the surplus flow of 50 million cubic feet of water only 6½ million cubic feet of water are used and about 80 per cent. of the supply is allowed to run to waste. Of course all this supply cannot be utilised. It depends upon levels and soils and things of that kind, but a good deal can be used, and it ought to be used as soon as possible. Therefore I recommend that the Government may be pleased to appoint a Commission to make recommendations regarding the utilisation of the abundant monsoon supply and to provide for supplementing it by irrigation, from wells and tanks. I propose that the Committee may carry out a careful survey of all our irrigation resources from rivers, lakes and wells and frame a programme for the next ten years for further extension of irrigation, and also carry out sub-soil survey and suggest the best system for organising well irrigation from wells and tube wells by mechanical means, using electric power and other prime movers. While I am on the subject of electric power I may mention that Mr. Meares, who examined the whole question regarding the electric power available in India, pointed out that there are 7·5 million horse-power available. The Honourable Member in charge will be able to tell us what action Government have taken in harnessing this electric power. It has been very often suggested that most of this kind of work should be done by the people, that in other countries these questions are taken up by private companies and that Government are not responsible for carrying out these things. There may be some truth in that. It may be possible in countries which are adequately advanced in organisation, education and intelligence, but in India we still need the assistance of Government in the case of irrigation and industries connected with agriculture. Our agricultural population, except in some provinces, as my friends will admit, is heavily in debt. Even the big landlords are not free from it. The necessary capital and brain power is not available, but, at the same time, the resources of the country are immense and if Government took the lead and started pioneer work there is no doubt that in a little time a great advance would be made, particularly in the matter of organising well irrigation.

[Sardar Jogendra Singh.]

There is one more point and I have done. It is often said that some of these subjects have been made over to the provinces and that the Government of India have abdicated all their responsibility, so far as the economic development of the country is concerned. It may be so, but so far as I can see the Government retain the power of taking action. Professor Rushbrook Williams in his " India in 1922-23 " clearly points out that the Government have not entirely shifted responsibility. He says that " the constitution permits the Central Government to retain control over industrial subjects when they consider such a course to be necessary." So, when the Government say that it is a provincial subject, they merely mean that the Government of India do not think it of sufficient importance to take an interest in the subject. For many years, to my mind, the Government of India must be the vitalising centre and they must take the initiative in organising and developing agriculture and thus accelerating the pace of progress.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): It is my important duty to support this Resolution because I am a zamindar and a representative of that class. Most of the people of India live on agriculture and there is an Arabic saying which means that it is the water on which everything lives, men as well as crops. I will take the point whether this subject is a provincial one or not. If we see the Eastern and Western canals of the Jumna, the river which passes near us, we find that one of them is in the Punjab and the other in the U. P., but the place where they come from is one. In the same way though Government has made various provinces nature has got no limits. There may be rivers which start in one province and flow in another. So it is no good for each province to make a separate inquiry. If the Government of India took up the whole survey they will be able to find out what can be done. For instance all our rivers in the Punjab though they pass through it eventually go to the Bombay Presidency. So this subject is really not a provincial subject in that way. Then, Sir, if each province had to have its own committee, the expenses would be doubled or trebled. If, on the other hand, there was one joint Committee for the whole of India, which investigated the matter, I think the expenditure would be less, and also there will be uniformity throughout the country. When they have investigated the means for one province they have practically investigated for the whole of India. Then, Sir, of course the House knows that we have been talking about Swaraj. The few people who are out of employment who have passed their B.A.'s and M.A.'s have made all this stir because they do not get sufficient food—they want all the money, that is, the salaries of officials transferred to them. But if you ask a hungry zamindar, " Do you want food or do you want Swaraj ", I think the answer will be " I want food ". There will be 99 per cent. who want food and not the other thing. So I think the Sardar Sahib very ably has asked for what is wanted by the whole population of India, and that is food.

Then, again, why is it necessary that there should be a survey of irrigable tracts? I know of a case myself. There is a tract of country which is already irrigated and, as there is no scope for our engineers, they always want to re-irrigate it, with the result that a very great portion of that country is now under water and there is danger of more getting

under water. So that instead of bringing more land under cultivation, the land which is now under cultivation would go under water altogether. We want water for the land but not so excessive an amount that we cannot absorb it.

There has been mention made about tube wells. But experience has shown that tube wells never bring in profit. If one has got any particular crop which is very dear, perhaps one can get profit, but otherwise the expenses are more than the income.

At the end, Sir, I think that, if the Government decide against the Resolution, saying that it is a provincial subject, I hope they will be kind enough to do one thing, that is, to send all the proceedings of to-day to various Governments with a recommendation that they should consider this matter sympathetically and do something towards it.

THE HONOURABLE KHAN BAHADUR NAWAB SIR MOHAMED MUZAMMIL-ULLAH KHAN (United Provinces: Nominated Non-official): Sir, I am standing between two difficulties. One is that, if I speak in English, my speech will not be appreciated as couched in very good language. The other difficulty is that, if I speak in Urdu, although I can speak most impressively, many Honourable Members, especially my friends from Madras, will not understand a syllable of it. (*The Honourable Sir Maneckji Dadabhoy*: "You speak English very well.") Moreover, in that case the reporters would boycott me. Therefore, Sir, I am obliged to speak in a language which I have never been taught.

Being a native of the United Provinces, and a brother zamindar of the Honourable proposer, I cordially support and welcome this Resolution. There is really plenty of water but it is not used properly and we have not the means to use it so. We, the zamindars, have got no power and no money to get skilful engineers and proper machinery, while the Government can help us easily in this matter. I myself have personal experience in this respect. In the times of our late Director of Agriculture, Mr. Hailey, probably the brother of the Honourable Sir Malcolm Hailey, I was encouraged to start a pumping station, which I did and which was very prosperous and working very well. But unfortunately the encouragement and support from the Agricultural Department was not so prompt and encouraging afterwards, probably on the assumption that I should thereafter be able to look after the project without any assistance. Of course, I could look after the project, but I could not engage an engineer on Rs. 1,000 or Rs. 2,000 a month with sundry allowances, and I could not afford the machinery. I could only provide him with local aid but I could not provide him with the latest scientific apparatus and so on. Therefore, I think it is most essential that the Government should give all the encouragement they can in the matter of the irrigation of most non-irrigated land.

Regarding the water, just as my Honourable friend has said, there were great hopes entertained and much talk about the tube wells. A scheme was started but it failed, and it failed among others in my own province. Unfortunately, the great War intervened, and we were told that the Department could not get the machinery soon and money was also scarce, so the project was nearly dropped for the time being and it has since died a natural death. If only this project of the tube well could be a little more encouraged, I think this will be a great benefit to the agricultural class. Then, Sir, there are many small rivers called

[Khan Bahadur Nawab Sir Mohamed Muzammil-ullah Khan.]

naddis. They are not big enough to call for any big project like the construction of canals by the Government, but still, if the pumps are fixed there and some pumping stations are built, the villages round about will get their irrigation from there.

A third thing is that there is a lot of what is called percolation water along the canals. For instance at the pumping station near my land, to which I was just referring, there is a lot of such water. If we zamindars are encouraged and helped by the Government to start our own pumping stations, hundreds and thousands of acres of land can be irrigated. But there is only one thing, that is, that we must get this water free as I am fortunately getting it. But sometimes the Irrigation Department is jealous of our getting the water free because their own irrigation may be interfered with and they will get less taxes and less money. If this theory is discontinued it would be much better, because I think it is not only the taxes on land that make Government fat, there are other sources also. If we get enough food, and a sufficient outturn of our crops, they can get taxes from a hundred other sources, railways and roads, etc., etc.

With these arguments, Sir, if any argument is necessary to support so urgent a proposition, I cordially support this Resolution, and at the same time beg to be excused for my deficient knowledge of the English language.

THE HONOURABLE RAJA SIR RAMPAL SINGH (United Provinces Central: Non-Muhammadan): Sir, I rise to support the motion. It is an admitted fact that the economic prosperity of the country depends in a large measure on the agricultural development of the country. I do not mean to say that other industries have not also a bearing on the economic progress. But it is the agricultural industry and the agricultural industry only on which depends the real relief and amelioration of the masses who are steeped in poverty and destitution. The Government have done a lot in providing canal irrigation to the country. Vast tracts of land which could not be brought under the plough are now yielding crops which it is difficult for me to estimate. A very large area, which was subject to the vicissitudes of the monsoon, is now yielding good crops and better outturn. The landlords too have not failed to add their quota in providing facilities by sinking wells and constructing *bunds*, and I must say that but for the periodical settlements and the stringent settlement rules which are more observed more in their breach than in their application, there would have been a much larger number of wells now in the country. But, Sir, with all the facilities which the Government have provided, with all the wells and tanks and *bunds* that exist in the country and that afford security to agriculture, there is still very large and extensive scope for further improvement. For agricultural industry the chief and essential requisites are irrigation and manure. The latter can to a certain extent be dispensed with by adopting what we call rotation of crops. But without irrigation the future prospects do not seem to be bright. Now, Sir, it is a belief in the country that well water is much more beneficial for the crops than canal water, and I am sure that all the requirements of agriculture cannot be fully met by canal irrigation. So, it is very desirable that Government should now divert their attention towards the expansion of well irrigation. It is necessary that we should now try to utilise the sub-soil water and develop the country. Well irrigation is no doubt labouring under some drawbacks and difficulties. It is daily becoming very expensive and, owing to scarcity of labour and wastage, the future progress is not very

bright. I therefore think it very desirable that Government should take the initiative in the matter and organise a scheme for the expansion of well irrigation on the Power Lift system in the whole country. By this means I am sure that Government will be doing a real good to the masses whose lot at present is nothing but deplorable. I therefore, Sir, very strongly support the Resolution.

THE HONOURABLE MR. A. H. LEY (Secretary: Department of Industries and Labour): Sir, I propose to confine any remarks I have to make on the subject of this Resolution to that portion of it which deals with irrigation from rivers. Questions of well irrigation seem to me to be questions primarily for agricultural experts, and I leave them to others more competent to speak on the subject than I am. Also, incidentally, they are obviously subjects, I think, for Provincial Governments in the first instance, and I am not very sure myself whether the discussion of a subject like this in the Central Legislature is altogether very useful. It may of course be said that irrigation is equally a Provincial subject. But there is this to remember, that Irrigation is a Provincial reserved subject, over which the Central Government consequently retain powers of superintendence, direction and control, and, therefore, as my Honourable friend behind me rightly said, the Government of India cannot divest themselves of responsibility in the matter altogether. I understand that my Honourable friend the Mover of the Resolution suggests the appointment of another Irrigation Commission like the famous Irrigation Commission of 1901-03, the object of which, if I understand him rightly, would be the discovery of fresh fields for our irrigation engineers to conquer and the addition of new areas to our already rapidly increasing irrigable land. I should like in the first place to suggest for the consideration of this Council that the circumstances at the present day are obviously entirely different from what they were when the Government thought fit at the beginning of this century to appoint the Irrigation Commission. At that time I think I am fairly correct in saying, generally speaking, that with the exception of the Punjab Canal colonies, irrigation was more or less stagnating. It was thought—wrongly no doubt, but it was thought—that most of the productive works—and when we are talking of irrigation, we must always remember the distinction between productive works and protective works—it was thought that most of them had been constructed, while at the same time no general policy had been enunciated with regard to the undertaking of works designed more particularly for protection against famine, that is protective works:

"The irrigation works."

I am now quoting from the Resolution appointing the Commission:

"hitherto constructed by the State in India have on the whole proved directly remunerative; but it is recognised that the programme of works of this kind may be approaching completion. * * * As regards new works therefore the main question is not whether they will be likely to prove directly remunerative, but whether the net financial burden which they may impose on the State in the form of charges for interest and maintenance will be too high a price to pay for the protection against famine which they may be relied on to afford."

That is a quotation from the Resolution appointing the Commission. It is not surprising therefore that the main energies of the Commis-

12 NOON. sion at that time were devoted to the investigation of new protective works. Now, it is quite impossible, I agree, to over-estimate the benefit which that Commission did to India. The result has been a great stimulus to irrigation in the last twenty years not only in protective works, but in productive works also. It has been certainly found that the idea which seemed

[Mr. A. H. Ley.]

to have prevailed at one time as to the possibilities of productive works coming to an end was wrong. What are the figures in the first place as far as protective works are concerned? In 1903 when the Irrigation Commission reported, there were only 9 protective works in operation or under construction in India. There are now nearly 60 and the capital sunk in them has risen from £2 millions to £12 millions—that is, protective works alone. In the case of productive works also there has been an equally large expansion. From 1903 to 1920 the total annually irrigated area from canals rose from 19 million to 28 million acres, and with works which have been completed since that date or are now under construction there is anticipated a further addition to our annually irrigated area of over 10 million acres; and when you recollect that for every acre annually irrigated 2½ acres, roughly speaking, are benefited by canal irrigation you will find that something like 25 per cent. of the total cropped area in British India is benefited and protected by Government irrigation works. (*The Honourable Sardar Jogendra Singh*: "Are the figures correct,—25 per cent.?") That is roughly correct. I have quoted these figures to show that I do not think that it is at all right to suggest, as the Honourable Mover of the Resolution has suggested, that nothing has been done or that not enough has been done during the last twenty years. A vast deal has been done: I think I am correct in saying that more has been done during the last twenty years in India than in any other period in this or in any other country of the world.

THE HONOURABLE MR. G. A. NATESAN: Was it due to famines?

THE HONOURABLE MR. A. H. LEY: One of the ideas of irrigation is to protect against famines.

Let me just briefly for one moment survey as quickly as I can the present position in the various provinces. I will only deal with those provinces where the subject is really of prime importance, owing to climatic or soil reasons. In Madras the Local Government have the great Cauvery Reservoir Project prepared and ready for submission, which, when sanctioned, will occupy the irrigation staff of that province for many years to come. In Bombay, of course, there is the Sukkur Barrage Scheme (and I am surprised nobody seems to have mentioned it—the greatest irrigation work in the world), at present under construction. They have also other large projects under contemplation, such as, the Gokak Canal Extension Scheme. In the Central Provinces there is a large programme before them of irrigation development in the rice tracts of that province, including several works of major importance, which are calculated to employ their staff for the next fifteen years or so. In the United Provinces there is the Sarda Canal Scheme, a very large scheme, likely to occupy the staff of that province for many years to come. The same may be said, of course, of the great Sutlej Valley Project in the Punjab, followed as it possibly will be when staff becomes available by other large schemes such as the Haveli project, possibly also the Thal and the Bhadra projects . . . .

THE HONOURABLE SARDAR JOGENDRA SINGH: How long have these projects been maturing?

THE HONOURABLE MR. A. H. LEY: Some years. My object in making this brief survey is to show this, that it is an unquestionable fact that the

Local Governments, in provinces where the question is of supreme importance, have got well thought out schemes which are now under preparation or under construction and which will employ them fully during the next ten or twenty years. I do not think they will evince any desire for any suggestions from an outside body for further additional irrigation projects. Let me just for one moment also remind the Council of something that the Retrenchment Committee said on this subject of Commissions and Committees of Inquiry. I have no doubt that the Council will recollect that perfectly well . . . .

THE HONOURABLE SARDAR JOGENDRA SINGH: Who has brought discredit on committees?

THE HONOURABLE MR. A. H. LEY: They discussed the Commissions and Committees of Inquiry that have been appointed in recent years. They discussed the time and the money which have been devoted to these Commissions and Committees, and they definitely recommended that this rather expensive method of investigating current problems should be resorted to only in exceptional cases. I ask the House whether, with the survey which I have given of what is now being done and what will be done within the next ten or twenty years, such an exceptional case has arisen as to warrant a fresh Commission of Inquiry now? I say that it is clear that anything of the kind is quite superfluous. My Honourable friend, the Mover, did make one little statement referring to the advance in scientific irrigation, and he says that it is necessary that we should review the situation in the light of that advance. That seemed to me to be the idea underlying the Resolution. If that be so, I need hardly say anything about that, except to remind him and this Council that any advance in canal irrigation, any scientific advance in canal irrigation that there has been in recent years, has been the result of the experience of the Irrigation Department in India in a field in which India unquestionably leads the world, and that every project which is now designed and constructed is designed and constructed in the light of that advance.

I do not think that I have anything more to say on this subject. I have tried to show that every Local Government, to whom the question is of importance, have before them now schemes carefully thought out by the best experts available, which are likely to occupy them for many years to come, and any further resurvey of the position at the present moment will, it seems to me, be wholly superfluous.

THE HONOURABLE LALA RAM SARAN DAS: (Punjab: Non-Muhammadan): I rise to support the Resolution. My Honourable friend, Mr. Ley, has not dealt with the subject of adopting up-to-date methods for cheap lifting of water from deep wells and rivers which do not fall under the category of canal irrigation. In the Punjab, Sir, we are very grateful to the Government for providing us with an increased number of canals and for the good many new projects which are likely to develop in the course of the next few years. But, Sir, the fate of those zamindars who have to fall back on the old system of lifting water from wells or tanks is going from bad to worse. Taking the case of the Punjab, everybody cares to go and work on land where he has to put up with the minimum trouble. The result is that the zamindars and other people from well irrigated lands are migrating to the new canal colonies. The share in income of the land owner on those lands which are dependant upon lift irrigation is becoming less and less. Mr. Ley pointed out that the Canal Commission finished its labours in 1901 and that no more

[Lala Ram Saran Das.]
inquiry is necessary at the present juncture. As far as canals are concerned every province has its own projects and has its own experts to consider and report upon them, but this question of lifting water cheaply from wells, lakes or rivers is an all-India question and is yet unexplored. I think that, if every Provincial Government has to take action, it will lead to waste of money and so I think it is quite opportune that this inquiry should be undertaken by the Central Government and that it should inform Provincial Governments of the successful new methods of cheap pumping which have been found to be of great utility and should be adopted in each province. In certain districts people sink a large number of wells and the cost of lifting water from these wells is comparatively heavy. In the case of lands on a high level, which are situated near the canals, the lift employed is comparatively expensive, and in case a committee of experts is appointed, whether of expert engineers or expert machinists, it could devise some suitable method of putting in a central power plant from which various zamindars could take their power at a small cost. This will be very useful. I have experience of tube wells and in my own estates I have sunk tube wells of 10 inches diameter. In case the work is done by means of an independent plant the cost of lifting water is about three times the canal rates. So in case some schemes are devised to put up a central plant at a suitable place to sell power for water lifting such a central plant, I think, will be a great boon to the zamindars. The cost of lifting of water by power thus will perhaps be equal to the cess of the canal flow water and in that way all the high lands near the canals will be cheaply irrigated. Wherever we have canal falls electric stations can be established as their running cost will be trifling and the charge will simply be a matter of return of interest upon the machinery, which a zamindar will have to pay and he will be able to get the power at a nominal rate. Such projects have not yet been considered, and no committee has taken any pains to report on that. I think, Sir, that this is a matter of great interest for those unfortunate zamindars who do not happen to own lands in canal irrigated areas and whose percentage of population is also considerable. I think the question of a committee to report upon up-to-date methods of lifting water cheaply should be well scrutinised and adopted. My friend Raja Rampal Singh said that well water is better than canal water. With due deference to the Raja Sahib I must say that in the Punjab things are different. Canal water, owing to silt except in cases where it deposits a good deal of sand, is always considered much better than well water. However, Sir, that is a matter of opinion. The Raja Sahib's experiences may have been different. With this view I strongly recommend that the committee to inquire into the possibilities of lifting water cheaply from wells and tanks should be appointed.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): I rise to bear testimony to what the Bombay Government has been doing in the matter of improving agriculture in that province. In years gone by Taqavi advances were made to agriculturists for the purpose of sinking wells, and there was a time when there was no supervision as regards the use of the money that was borrowed for the purpose of sinking wells. Part of the money was discovered to be diverted to liquidating the debts due by the agriculturists and for defraying other expenses, and later on it was found that these wells were left unfinished or unutilised and for the matter of that some of those who took the advances found

them not quite useful. While smaller agricultural patches were thus replenished by water derived from wells, larger efforts were also made. Whether the works fall under one denomination or other they benefited agriculture and they were intended to benefit agriculture. Artesian wells could not be worked to advantage in tracts of trap rock where there was no alluvial strata geologically to be discovered. They were a failure in some parts when they were attempted. Undoubtedly artesian wells are found to be working well in provinces where you have got alluvial strata. I am speaking of what work has been done by the Bombay Government, perhaps in consultation with the Supreme Government, and I am not unmindful of the extreme necessity of improving the chances of agriculture by wells and by canal irrigation. I wish to direct the attention of the Local Governments through this House, if possible, to the silt that is carried away by torrential rainfalls into rivers on to the sea, broadening the basis of the river and the silting of the creeks as you find along tracts of land that lie on both sides of the mountain ranges by the Sahyadri, that mountain which belongs to the Bombay Presidency more particularly. I claim that very insufficient attention has been paid to this question of the washing away of the silt. I know that there has been a Land Revenue Code, but I wish that it was a Land Administration Code. When the *zilla* officers go out for instance to find out which of the officers have done the best work in connection with realization of revenue, I wish more attention could be paid by these responsible officers to find out exactly who was the agriculturist who does not allow the silt of his land to go away to the disadvantage of his own land and of the whole country, and which was the land which was best looked after and cared for. I have known agriculturists taking pride in the statement that they go to the land once for the purpose of sowing the seed and again when reaping the harvest at the end. It is there that agriculture has been failing. Natural manure, which is supplied to the land by the action of the sun, is thus lost altogether and there is nothing to take its place. It is, therefore, necessary that a resurvey in the direction suggested in the Resolution should be made. The attention of Local Governments must be called to this very important subject, this all-absorbing subject, especially as we find we take pride in stating that 80 per cent. of the population of India is agricultural. If that is so, are not the Government of India agricultural? Can they ever neglect the very source of agriculture, which benefits agriculture to this extent? I should think the Honourable Mover of this Resolution has given us enough to think of when he points out how small a margin is left to the agriculturist to subsist upon being only one month's extra supply for the whole country at the end of the year. I doubt very much whether sufficient attention has ever been paid by the Government of India to this vast and important subject. And I do think, as the Honourable Mr. Ley has pointed out, that, as the Government of India have limited control over this important subject, this Resolution should be adopted in the manner in which it is possible. Perhaps it may be that the subjects that are divided between the Local Governments and the Government of India may come to be re-adjusted and no doubt, though Irrigation may be left to a certain extent to the Local Governments, the Government of India can never feel themselves justified in divesting themselves of their supervision over this vast and important subject. There is just this point. We have got protective works and productive works, and I know for certain that the Bombay Presidency stands foremost in the matter of such works and I have no

[Mr. R. P. Karandikar.]

doubt that the highest authority in the land may find some occasion to visit these vast works there. In some irrigation works, some canals, some water is not utilised at its proper value and so it is wasted. Some fields lie in the water much more than is necessary. All these are necessary consequences of our experience of irrigational activities. I do feel, Sir, that I would not have risen, but for the purpose of bearing testimony to the work that is being carried on by the Bombay Government. But at the same time I want to bring home to all Members concerned that it is their duty to look after the land and not allow the silt to be washed into the sea in consequence of the torrential rainfalls.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, as the Member of Government in charge of Agriculture and Lands and as one who was in charge of Irrigation for about three years, I am naturally interested, and very deeply, in this Resolution. The Government are very gratified that the Council of State has taken such a very deep interest in one of the essential problems of the country and they hope that this continued interest will awaken a consciousness in the minds of the people throughout the country that this is a subject of paramount importance and that they should co-operate heartily with the Government in making agricultural progress a reality, which they cannot unless there is enthusiasm, continuous, unflagging, enthusiasm, on the part of the people, and not merely on the part of the Government. When I was in charge of Irrigation, I visited almost every province and almost all the important works, and I paid a visit to some of those magnificent dams and irrigation works in the Bombay Presidency, and one is gratified to notice the immense strides in progress that have been made, notwithstanding the fact that, at first sight, it may seem that the immediate return on the expenditure involved in some of these large works may not be appreciably large and may be to a certain extent a burden upon the tax-payer. The Government, Sir, are not unmindful of the fact that the margin between production and consumption is very very narrow indeed. They have always been mindful of that fact. They also know that, especially in the matter of exports of rice, what India issues by way of export is largely from Burma, where the production is very much larger than what can be consumed by the people of the province. It is not, therefore, the extra production of India proper that accounts for the exports of rice from India, but it is the exports from Burma that figure largely in the accounts. With regard to wheat, it is somewhat different and it is here the fortunate province of the Punjab that accounts largely for the exports of that cereal from this country. I have already on a previous occasion indicated that there is but one acre or about one acre of land per head of the population—of cultivated land. And therefore all the efforts of the people and the Government should be directed towards increasing that area, towards securing that area against the vagaries of the seasons. The Government have not been in the past, and are not at present, looking merely to the immediate returns from the expenditure on irrigation works. They realise the vast amount of indirect good that is done to the country by the increased production which is the resultant of increased irrigational activity. With the aid of 27 million acres irrigated by Government canals and irrigation works they have been able to produce crops worth Rs. 17,000 lakhs. The capital expenditure on such works have been Rs. 8,000 lakhs and odd, so that, in one year, the country has been able to reap twice as much as the total capital that has been put into the irrigation works of

the country. Therefore, it is not owing to any grudging policy on the part of Government that irrigation has not made greater progress, but on account of difficulties that must naturally confront any Government, especially when the Government have not behind them the awakened consciousness of the people and the desire on the part of the people to put their money into these works in order to make progress real and lasting. The Honourable Mr. Ley has already told you that the Government have on hand vast irrigation schemes which will keep their officers employed so far as canal irrigation goes. There has been a large increase since the report of the Irrigation Commission of 1901-3 and in British India alone, as soon as the works under construction are completed, we may hope for an increase of about 10 million acres and in the adjoining Indian States, about 3 million acres, so that we may look forward to an increase of about 13 million acres in the irrigated area as against 27 from Government canals now; and that is a very large factor. As has been pointed out, this will tax the energies of all the engineers now employed by Government for a good many years to come. There is hardly any province of importance that has been left out of this programme. The Central Provinces, Bombay including Sind, the United Provinces, Punjab, Burma, Madras, all these share in this increased cultivation, and we have projects to irrigate about 7·4 million acres which projects would have to be taken up after full and further investigation in continuance of the works under construction. So that, when all these are completed, we may hope to increase the canal irrigation by 20 million acres, and that is not an insignificant programme. Very large sums of money have to be spent and the Government of India, as I have indicated already, have been always ready and will always be ready to finance any scheme which may be brought forward by the Provincial Governments, which are now directly responsible for the expenditure on such irrigation works. In this connection I may point out that there is a significant difference between the position of the Government of India in 1901-3 and the position of the Government of India now. At that time, the Government of India shared in the revenue from land. There were hard and fast rules as to what was productive expenditure and what was protective expenditure, as to whether protective expenditure was to be met from the famine grant or otherwise, and there were a number of restrictions as to what had to be done, and then there was the further fact that the Government of India could finance these projects only in some order, namely, in the order of productivity, so that, although Madras and Bombay may have had very good schemes, still precedence had to be given to a scheme which would bring in larger returns, and consequently a comprehensive survey of the whole of India was necessary to put these projects on a proper footing, so that the Government of India might know when and how to sanction judiciously the expenditure of money available on these various projects. Now, the whole aspect is changed. The Government of India have absolutely nothing to do with the income from these productive works and do not incur any responsibility whatsoever for the expenditure thereof. There are rules which stipulate the conditions under which the provinces can borrow and the Government of India have to render assistance to the provinces in the matter of borrowing, and there the matter ends, apart from the technical sanction which they have also to give. Consequently, what they did in 1901-3 by way of instituting a comprehensive survey, they cannot do at the present moment except perhaps if the provinces themselves come forward and ask for such a comprehensive survey. I would ask Honourable Members to consider for a moment as to whether

[Sir Narasimha Sarma.]

there is need for such a survey. It may be that in 1901-03 public opinion was not so vocal, and that Government had to bestir themselves and order an inquiry to know where they were. But now, if you turn over the pages of any of the Provincial Legislative Council proceedings, you will find Resolutions being brought forward continuously by non-official Members urging that district A or district B has been steadily neglected in the matter of irrigation, that this project might be investigated, that project might be gone into, or a third project might be constructed, so that you have the people themselves stirring up the Government now. You have their representatives in the various Legislative Councils inducing their Governments to put forward their maximum efforts for the purpose of making irrigational activity a reality. There is no suggestion whatsoever from anywhere that the provinces themselves have been lax in their efforts in this direction. If there is, the Government of India would certainly try to induce those Local Governments who have been remiss in this matter to stir themselves up a bit into greater irrigational activity. Before the Reforms came into being the Agricultural Board advised the Government of India to make recommendations to Local Governments with regard specially to well irrigation and pump irrigation. These were the recommendations:

"Each Local Government in any province where famine conditions can be mitigated by wells should have an efficient well-boring department under the charge of an Agricultural Engineer. In connection with such well-boring department it is recommended that the cost of unsuccessful trial boring should not fall on the individual landowners in whose land they are made. A systematic survey of the supplies of underground water, which could be tapped by wells or small bores, should be undertaken as soon as possible in areas where famine conditions can be mitigated by wells."

In respect of this recommendation of the Irrigation Commission, this survey has not been made, but I know that that is expenditure that is desirable and its importance has not been fully appreciated and the Government of India have drawn the attention of the Local Governments to this aspect of the question and asked them to do what they could in these directions for the purpose of improving well irrigation. The reports of the last Agricultural Committee show that in the Punjab there has been fairly good activity. The number of wells which have been successfully bored are 858 during the last three years. In the United Provinces, they are about 850 during the last two years and in Madras about 493. In the Bombay Presidency the Mansfield Depth Finder is being used with success. We have no statistics as regards the number of oil engines purchased and action taken by Local Governments to provide loans for such purposes. But in districts such as Kaira in Gujarat, pumps are worked by oil engines and are being widely used. I may state that the Government of Madras—I do not know at what stage it is exactly now—had a large pumping project, the Prodattur pumping scheme, which would irrigate 10,000 acres by pumping water from the river Krishna to high level lands which are not ordinarily irrigable with canal flow irrigation. In the Central Provinces they had in 1921-22 57 projects in various stages of investigation. Therefore, wherever you turn, you will find that there has been activity, but that does not mean that either the Government or the people can rest content with what has been done or what is being done. We realise as much as you do the vast importance of the subject. If more has not been done it is due to the fact that paucity of funds has been responsible to a certain extent for the curtailment of staff. In almost all the provinces there have been agricultural engineers appointed,

in the Punjab, in the United Provinces, in Bombay, in the Central Provinces, and in the United Provinces, there are two agricultural engineers. Therefore, there have been agricultural engineers appointed in almost every province where such sort of activity is necessary. I wish there were more, but we are moving in that direction and we hope as soon as funds permit to start at Pusa an engineering course in order to equip students for this task of carrying out experiments in irrigation engineering and for the purpose of supplying agricultural implements and so on—all sorts of engineering subjects—but what has stood so far in our way is that wretched commodity, money of which we are all so much in need. We hope with better finances that we shall soon be able to provide the necessary staff for the purpose of encouraging this branch of activity.

Well, Sir, I do not think I need take up any more of your time, but I ask you, is there any need for a survey on the lines of the survey of 1901-03? I hope I have been able to show that, so far as canal irrigation is concerned, there are projects which will tax the energies of the engineers for at least ten to fifteen years to come and nothing that we can do would improve the position. With regard to wells, there has been an increase of acreage under wells of at least 2 million acres since 1903. The gross area, that is, the area which is grown with more than one crop under wells, is much larger, but we have not got the figures to show what it is exactly. The Irrigation Commission themselves considered the problem as to whether the Government should directly expend money on these wells and they have rejected it saying that it is not practicable or desirable. That is the reason why they have suggested that the Land Improvement Loans Department and other departments of revenue should encourage this branch of activity . . . .

THE HONOURABLE LALA RAM SARAN DAS: What about lifting water cheaply from wells?

THE HONOURABLE SIR NARASIMHA SARMA: I was very much impressed by what the Honourable Lala Ram Saran Das has stated, but that is a matter between the Industrial Department and the Agricultural Department of each province. The conditions with regard to wells vary from district to district, from taluq to taluq and from province to province, and it is not possible for any Commission to state what can be done in the various areas whose conditions totally differ from one another. I therefore suggest that this idea of a comprehensive survey may be abandoned for the present. We shall certainly circulate to Local Governments the desire of this Council for more irrigational activity, for sustained irrigational activity, in the various directions mentioned in the Resolution, and ask for information on the subject, and, if there is any desire evinced by Provincial Governments for more co-ordination, certainly the Government of India would not be lax in bringing about that co-ordination. I have myself been trying as far as possible to bring into existence an all-India Agricultural Society, consisting of officials and non-officials, to take up these problems and to give the necessary stimulus both to the Government and to the people. I hope my non-official friends will be able to help me with their suggestions so that in this year we may be able, if possible, to move in that direction. With these words I join my Honourable friend, Mr. Ley, in thinking that the object of the Resolution has been achieved and no purpose would be served by pressing it to a division. We cannot do anything at all. The whole subject is a

[Sir Narasimha Sarma.]

provincial subject and a provincial reserved subject partly, and therefore I think that we cannot do more, though I wish we could.

THE HONOURABLE SARDAR JOGENDRA SINGH: Sir, I have been much gratified by what the Honourable Sir Narasimha Sarma has said. It promises an awakening consciousness in the Government of India as to the agricultural needs of the country. As the Honourable Mr. Karandikar very pertinently pointed out, the sooner the Government of India realise that they are a Government of agriculturists, working for the agriculturists, depending on the agriculturists, the better for the country. I am glad that the Honourable Sir Narasimha Sarma is anxious to tackle the agricultural problems.

There are one or two things which the Honourable Sir Narasimha Sarma said which need a little clearing up. He complained that the Government would go forward much more rapidly if there were co-operation coming from the people in helping them forward. I beg to point out very strongly that that co-operation has been forthcoming all the time. In fact, we have been pressing the Government of India to go forward and get out of the ruts into which they have fallen. He said that if co-operation were forthcoming things would move much more quickly. I suppose he has not forgotten that in the Punjab and the United Provinces we have raised all the money required for the projects that we had in hand, and if there was any difficulty in the way of raising those loans—some difficulty which was whispered about—the Local Governments complained that it came from the Government of India in the way of raising loans, but as soon as the Local Governments came into the market, the whole money required for the purpose was contributed. Then, Sir, the Honourable Sir Narasimha Sarma said that the Government of India no longer shared in the land revenues and were therefore not prepared to take the same keen interest which they did heretofore . . . .

THE HONOURABLE SIR NARASIMHA SARMA: I did not say keen interest. I said, would take even a keener interest: only they are not interested in the revenue or expenditure.

THE HONOURABLE SARDAR JOGENDRA SINGH: It means that once you cease to share in the profits you cease to take interest in developing those projects. But I want to point out to the Honourable Sir Narasimha Sarma that all the revenue of the Government of India is gathered,—indirectly it may be,—from land. Shut out the produce from lands in the country and there will be silence in the streets. You will have no customs revenue, you will have no railway revenue, you will have nothing. Though it may be that land revenue does not come to the Government of India directly, the whole of the revenue of the Government does come from agricultural sources. Another point, Sir, on which the Honourable Mr. Ley and the Honourable Mr. Sarma, (*An Honourable Member*: "The Honourable Sir Narasimha Sarma.") The Honourable Sir Narasimha Sarma laid a great deal of stress, was that the development of irrigation is limited not by the scope for it, but because the staff at present employed was fully occupied. I think that is a kind of excuse which this Council will not be prepared to consider. If there is scope for developing further irrigation schemes, surely we can employ more officers and go forward. You cannot stop work because there are only a limited number of men and they are fully employed. You can surely get more men to do it.

Then, Sir, coming on to the question of well irrigation I do not want to labour the point. The Honourable Lala Ram Saran Das very clearly pointed out where the assistance of the Government is most urgently required. It is required in organising well irrigation. What happens now is, as Mr. Karandikar pointed out, that most of the money which is made available for sinking wells is not properly used. The subsoil resources of the country have not been surveyed, nothing has been done in that direction. Surely that is where we require Government assistance—to discover what the subsoil supply is. We must have subsoil surveys and a skilled staff that will help in developing and organising well irrigation.

The one point on which the Honourable Sir Narasimha Sarma laid the greatest emphasis was that funds were not available for carrying out these projects If I may say so, it is not the funds that were wanting; it is the courage and the enterprise. If there were the necessary courage and enterprise, funds will surely be forthcoming. I have never known that a loan was floated and not subscribed. We have floated large loans for railways, which according to the Acworth Committee's report, are not giving a return. When you look at the irrigation projects you find that we have sunk about Rs. 81 crores capital and our return generally is not less than 7 per cent., while in some of the provinces some of the irrigation systems are earning from 10 to 50 per cent. With this profitable investment being available I do not for a moment doubt that if sufficient courage and enterprise were available the money required would be forthcoming . . . .

THE HONOURABLE SIR NARASIMHA SARMA: I referred to private funds. Public funds are available at the proper rate of interest.

THE HONOURABLE SARDAR JOGENDRA SINGH: So far as I am aware no attempt has been made to provide funds for agricultural purposes. I do not quite follow what the Honourable Sir Narasimha Sarma means by private funds. It has been said that things have materially changed since the Irrigation Commission went into the question and so that nothing need be done. In this particular year in England the agricultural question is receiving the most urgent attention. I do not for a moment believe that India has advanced further than England for us to think that there is nothing more to be done. If England needs a Royal Commission to go into the agricultural conditions, why should not India also go into the question fully and thoroughly? I now come to what fell from the lips of the Honourable Mr. Ley. He quoted figures to indicate the progress that has been made. The one thing we do not take into consideration is the enormous area and the enormous population with which we deal. At one time I made calculations myself, and as I was not satisfied with my own calculations, I went to the Secretary of the Revenue Department to get figures properly worked out, and we discovered that four million tons of exports of cereals only represented a handful per head. When we talk of millions of acres of irrigated land, we forget that many millions are left unirrigated and untouched. When we talk of the progress that has been made, we forget that the progress during the same period could have been doubled, if we had taken the offensive instead of being on the defensive. What we want to do is to take the offensive and go forward and not to be satisfied because 10 million acres are under irrigation. We must provide for a 100 million acres in the coming twenty years.

[Sardar Jogendra Singh.]

One more point and I have done. The Honourable Mr. Ley not only on this occasion but other Government Members also trot out the Inchcape Report against the appointment of Committees. They have not so far told us, if there is any problem which has to be examined how it is going to be done, and if you require expert opinion how else are you going to do it if you do not appoint Committees? If any one has brought discredit upon the Committees appointed by the Government of India, who is responsible for that discredit, but the Government of India themselves? They appoint Committees, they get expert opinion and then take no action; they write notes, circulate to the provinces, and spend three or four years in delaying decisions. That does not show that the Committees are wrong and that this House is wrong in asking for a Committee to inquire into problems which can only be dealt with by experts. It is only the Government who are to blame in the way they treat these reports. I therefore recommend this Resolution to this Council. It will help the awakening of the conscience of the Government of India to the need of studying agricultural problems and starting a survey as early as possible. The great problem of India is the food problem, and if it is neglected, as has been done in the past, then this Council and the Government will be neglecting their primary duty.

THE HONOURABLE MR. A. H. LEY: I only wish to say one word. The Honourable Member in his final words accused the Government of lack of courage. It is astonishing to me to find that in all the speeches that I have heard to-day, from my Honourable friend and others on this side, practically no reference has been made to the enormously great irrigation works already done or now being constructed. He talks of lack of courage; yet he never even mentioned the Sukkur Barrage and the Sutlej Valley projects,—two of the greatest irrigation projects in the world; and yet he accuses us of lack of courage.

THE HONOURABLE SARDAR JOGENDRA SINGH: I started with saying, Sir, that a great deal of the work has been done and pointed out the advance in irrigation that has been made.

THE HONOURABLE MR. A. H. LEY: I was trying to combat the statement that we lacked courage and I say there is no justification for that statement.

Then he made another comment on what I said, namely, that the work at present in hand, the large programme at present in hand for the Local Governments, is sufficient to employ the staff of the Local Governments, the irrigation engineers in the country, for the next 10 or 20 years. He says: "Well why do not you increase the staff"? That is the gist of his argument, I understood. And he goes on to say that one acre per head of the population should be irrigated,—300 million acres irrigated. He does not attempt to see that there are portions of the country, as is clear from the Irrigation Commission's Report, which are unirrigable, and that the main portions that are irrigable are the alluvial plains of Northern India. Of course, there are other large portions as well, but you cannot expect to irrigate every acre all over the country. There are limits to the irrigation programme.

There is only one other point I want to make. If he wants money straight away to irrigate 300 million acres, one acre per head of the popu-

lation, that means loans of over five hundred million pounds, and it seems to me a little superfluous to suggest at the present moment that any such large expansion is possible in the present conditions of the market. That is all I want to say, Sir, at the present moment. I have only tried to show that the Local Governments are doing everything that they possibly can. They have got very large schemes of irrigation on hand, and it seems to me superfluous to suggest that a resurvey of irrigation possibilities would be welcome to them.

THE HONOURABLE THE PRESIDENT: "The question is that the following Resolution be adopted:

> 'That this Council recommends to the Governor General in Council to arrange for a fresh survey of our irrigation possibilities, both from the rivers and the wells in the light of scientific advance and to frame a programme particularly providing for the organisation of power lift irrigation from the wells,'

The motion was adopted.

DISCUSSION OF THE BUDGET FIXED FOR FRIDAY AND SATURDAY, THE 7TH AND 8TH MARCH, RESPECTIVELY.

THE HONOURABLE THE PRESIDENT: Has the Honourable the Leader of the House any statement to make about Friday?

THE HONOURABLE DR MIAN SIR MUHAMMAD SHAFI (Law Member): His Excellency the Governor-General has agreed to substitute the morning of Friday, the 7th March, and the morning of Saturday, the 8th March, for the general discussion of the Budget in this Council, instead of Friday, the 7th March, as fixed at present.

THE HONOURABLE THE PRESIDENT: I think Honourable Members will find that, if we sit from 11 to 1-30 on Friday and then again from 11 to 1-30 on Saturday, it is obtaining rather more time than we would obtain otherwise.

The Council then adjourned till Eleven of the Clock on Thursday, the 6th March, 1924.

COUNCIL OF STATE.

Thursday, the 6th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

GENERAL DISCUSSION ON THE BUDGET.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, with your permission I should like to refer to the change of date for the discussion of the Budget in this House of which I have received notice. Unfortunately yesterday, owing to the Budget discussion in the other House, I was unable to be in my place but I have in the meantime consulted the Honourable the Finance Member, who is naturally very anxious to be present throughout the whole of the Budget discussion in this House, and I am afraid that the dates as fixed will make it impossible for him to be present here throughout the whole debate. So, with your permission, Sir, I would ask whether it would not be possible to have the matter reconsidered in the light of the above remarks.

THE HONOURABLE THE PRESIDENT: I should like first of all to hear what the Leader of the House has to say on this matter.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, you will recollect that it was owing to a wish expressed by Members of this House with reference to their desire to be present at the Convocation of the Delhi University that I mentioned the matter to you and, after informally ascertaining that it was the general wish of the House, you were pleased to put the matter to the Council and the Council unanimously suggested that the sitting should be split up into two, namely, Friday morning and Saturday morning. It was unfortunate that Mr. McWatters, owing to the fact that his presence was required elsewhere to help the Honourable the Finance Member, could not attend the sitting yesterday. In view therefore of the fact that the Honourable Sir Basil Blackett is anxious to be present personally during the debate, in order to explain his position to the House with regard to the Budget, so far as I am concerned I have no objection to the matter being reconsidered. And, if the House is agreeable to the arrangement, the old arrangement may be agreed to.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): As a non-official Member I feel it my duty, Sir, to say a word on this question to the House. Personally, I am absolutely indifferent whether the Budget discussion takes place entirely on the 7th and is finished on that day, or whether it takes place partly on the 7th and partly on the 8th. But it so happens that the question was placed before the House and the unanimous wish of this House was ascertained by you, Sir.

[Saiyid Raza Ali.]

This was also the suggestion of the Leader of the House. Having therefore ascertained the unanimous wish of this House, which is in favour of the discussion taking place partly on the 7th and partly on the 8th, I do not think it is very dignified for any Honourable official Member to say that, on further consideration, it has been found that the new arrangement would not be convenient to the official Benches. I entirely sympathise with the official Benches and I fully realise that they are very hard-worked in view of the discussion of the Budget. But, Sir, I think that my Honourable friend will duly consider that, when once the unanimous wish of the House is ascertained, every effort should be made by the official Benches to respect it.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I do not agree with my Honourable friend, Saiyid Raza Ali. There is no question regarding the dignity of the House at all. It was indeed very good of the Leader of the House to make a suggestion to Government for the convenience of the Members who desired to be present at the Convocation of the Delhi University. He endeavoured to meet the wishes of the Members as far as possible and, as I understood him yesterday, he distinctly stated that he would try his best to bring about some arrangement which would be satisfactory and convenient to all. At the same time, having heard the Honourable Mr. McWatters, I agree, and I am sure my Honourable Colleagues here will also agree that on a Budget debate it is essentially necessary that the Finance Minister himself should be present in this House. It would add to the dignity of the debate if the Finance Member, who is the most important person in this connection, should be present here and attend the debate. But at the same time I do not see how it would seriously inconvenience the Finance Member because, I understand, Saturday has been fixed in the Legislative Assembly for the discussion of the question of the separation of Railway finance from the General finance, and that debate will be piloted there by another Honourable Member, Sir Charles Innes. I think the Finance Member might consider the advisability of consulting the convenience of this House by trying to be present here on Saturday morning, if possible.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): I am very glad to hear, Sir, that the Honourable the Finance Member is most anxious to be present here when we discuss the Budget. I take it as an index of his frame of mind not only to listen to us but also perhaps to take some of our criticisms in good spirit and act up to some of the suggestions which I and others will put forward for the relief of the tax-payer. If the Honourable the Finance Member comes with that frame of mind, I should be delighted to welcome him here.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, I speak on personal grounds. I have to go away to-morrow and I was feeling doubtful whether I should speak on the Budget as I could not be present when the Finance Member replied to the Budget on Saturday. If the Honourable the Finance Member had said that he would not feel it discourtesy on my part if I was not present here when he replied, I would have spoken. I would naturally like to be present at the time if I can do so. Speaking for myself personally I would very much like if the old arrangement stood.

THE HONOURABLE DR. DWARKANATH MITTER (West Bengal: Non-Muhammadan): I think the presence of the Honourable the Finance Member is essential on the day when we discuss the Budget. Having regard to the arrangement unanimously arrived at yesterday, and also having regard to the other fact indicated by my Honourable friend Sir Maneckji Dadabhoy that it is possible for the Honourable the Finance Member to absent himself from the Assembly, I think we should stick to the arrangement arrived at yesterday.

THE HONOURABLE THE PRESIDENT: I think the House will recollect that, when this matter was brought before me, I was perfectly definite on one point. I said I would not for one second consider any proposal to change the date unless it was the unanimous desire of the House. I recognised from the beginning that it was a serious matter to approach His Excellency and ask him to change the date which he had deliberately fixed for the discussion of the Budget—one of the most important debates in this House and which Members attend in larger numbers and probably take greater interest in than any other debate of the year. In those circumstances I was most particularly anxious that no change should be made unless every Member of the House was agreeable to it. Yesterday, there seems to have been some lack of co-ordination inasmuch as we did not really get a consensus of opinion. When the Budget is under discussion, the main person concerned is of course the Finance Member. Surely, if the House is going to discuss the Budget without the Finance Member, it will be like acting Hamlet with the part of the Prince of Denmark left out. That is his day surely. We are in rather a difficult position because, acting on the misconception of fact then referred to, we have through the Honourable the Leader of the House approached His Excellency who, I understand, has changed the dates as we suggested yesterday. On the other hand, I do not think it is possible for this House to decide whether the Finance Member can or cannot attend. He evidently desires to attend, and if he says Friday is his day then Friday should be the day. We are now in this position that, if we take that view, and that seems to be the view the House desires to take, we shall have to ask the Leader of the House again to approach His Excellency and ask him to return to the date originally fixed. That seems to me the only procedure which is compatible with the dignity of this House and with the discussion in an adequate manner of the Budget, and I would ask the Leader of the House whether he is prepared to do that, that is, to revert to the *status quo*.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, I am sure the House knows that I am always ready to meet its wishes, and if it is the desire of the House and of you that the old arrangement should be reverted to, I will communicate that wish to His Excellency and try to obtain his orders to-day.

THE HONOURABLE THE PRESIDENT: I think that would be the best way out of the difficulty. If we had not all been agreed yesterday, I should not have agreed to this change. If there had been a single voice objecting yesterday, I should have said we must stick to the old day fixed. Therefore I think, if the Honourable Leader of the House will do that, and, if it is possible, do it before the House rises this morning, it will be the most satisfactory way out of the difficulty.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to move:

"That the Bill further to amend the Indian Coinage Act, 1906, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

This Bill, Sir, is a small measure which is intended to rectify an omission in the Indian Coinage Act, an omission which was probably unintentional. As it stands, that Act gives no power to the Executive Government to call in and cancel the legal tender value of any denomination of coin. In the corresponding English Act this power can be exercised by the Executive Government by proclamation. As the Indian Act stands, separate legislation would be necessary in every case before the legal tender value of any coin could be taken away. In practice this omission has caused real inconvenience. As the House knows, one of our subsidiary coins, the 8 anna nickel coin, has certainly proved unsatisfactory. We have tried to meet the difficulty within the limits which the Act allows by not re-issuing any of the coins which come into our treasuries and currency offices. But that is not sufficient. We still find that a number of coins remain in circulation and numbers of counterfeits are made, and, so long as the coin remains legal tender, this will inevitably go on. The only practicable method of dealing with the position is to take away the legal tender value of the coin. The Bill as it reaches this House is a very modest measure which does not apply to the silver rupee or to the silver 8 anna piece. It relates only to our subsidiary coinage and contains several important safeguards for the public. In the first place, after a notification calling in coin is issued, a period of not less than six months must be allowed during which the coin will be accepted at Government treasuries and at currency offices, and I should like to state here that this does not merely mean that the coin can be paid in in payment of Government dues at treasuries. As a matter of actual practice Government treasuries have instructions to give change for coins handed to them, and we should certainly take special care to instruct our treasury officers, in the case of coins withdrawn under this Act, to give change for any such coin presented to them. The second safeguard is that such coin, if genuine, will be permanently accepted at all our currency offices, so that there will always remain the certainty of holders of genuine coin being able to get value for that coin. The Bill, as I have said, deals only with our subsidiary coinage and I commend it to the consideration of the House.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, this Bill only seeks to rectify an omission by inserting a provision regarding the power of Government to call in coins. From that standpoint no objection could possibly be taken. As Mr. McWatters has pointed out, a similar provision does exist in the English Act, but there the power is exercised by virtue of proclamation. I have no objection of any kind to urge against this Bill itself except to point out that the second part of clause 3 is likely to cause some hardship. There it is said:

"Provided that such coin shall continue to be a legal tender also at Government treasuries until the expiry of such further period, not being less than six months, as the Governor General in Council may fix by the notification."

In a fixed period of six months it may not be possible for all coins to be presented at Government treasuries. It would be better if power is reserved to the Government to extend this period from time to time as the Government may think proper, because the object of Government is not to cause

any serious hardship. I therefore suggest that it would be appropriate if the Finance Secretary could see his way to insert after the words " six months " some words to the effect " or such other period as the Governor General . . . "

THE HONOURABLE THE PRESIDENT: Is the Honourable Member trying to move an amendment?

THE HONOURABLE SIR MANECKJI DADABHOY: Yes, Sir.

THE HONOURABLE THE PRESIDENT: He cannot move an amendment until the motion that the Bill be taken into consideration has been carried. When the Bill is put clause by clause he can move an amendment with reference to the particular clause.

The question is:

" That the Bill further to amend the Indian Coinage Act, 1906, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Council will now proceed with the detailed consideration of the Bill clause by clause.

Clauses 1 and 2 were added to the Bill.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I have already explained that this proviso to clause 3 is likely to cause some amount of hardship. Small coins generally remain in the possession of a considerable number of people, including villagers and others, and it would not be possible within the statutory period of six months to collect all these coins. It is necessary that the Government of India should reserve power to extend this period if necessary from time to time. I would therefore suggest that after the words " six months " the following words be added, " or such other longer period as may be prescribed ". I think an amendment like that will cause the least amount of inconvenience and hardship to the general public.

THE HONOURABLE THE PRESIDENT: I am not putting the amendment because I wish to hear whether the Honourable the Finance Secretary objects on the ground of want of notice. In a case like this notice is necessary. If the Honourable the Finance Secretary does not object, then I will put the amendment to the House after I have considered if the amendment has any effect on the clause.

THE HONOURABLE MR. A. C. McWATTERS: I do not think, Sir, I should feel justified in objecting on the ground of want of notice. The Honourable Sir Maneckji Dadabhoy's amendment is obviously framed with the object of avoiding hardship to the public, and I think it is a matter on which the House is entitled to express an opinion. Am I, Sir, in order in replying now on this amendment?

THE HONOURABLE THE PRESIDENT: I understood the Honourable Member to say that after the words " six months " it is proposed to insert the words " or such other longer period ". Is that right?

THE HONOURABLE SIR MANECKJI DADABHOY: " Or such other longer period as may be prescribed ".

THE HONOURABLE THE PRESIDENT: That does not read properly. If the Honourable Member will read the proviso, he will see that the words used are " not being less than six months ". That is the minimum. It cannot be less than six months but it can be longer; I do not quite see how his amendment fits in. Would he explain that?

THE HONOURABLE SAIYID RAZA ALI: That was a point that I wanted to bring to the notice of the Council, and I was waiting . . .

THE HONOURABLE THE PRESIDENT: I cannot put an amendment which does not have any effect on the clause. I wish the Honourable Member would explain how his amendment affects the clause.

THE HONOURABLE SIR MANECKJI DADABHOY: The words used at present are " not being less than six months ". That at any rate necessarily implies, as far as the legal phraseology is concerned, that the Government would not be at liberty to take any further time after the expiration of six months.

THE HONOURABLE THE PRESIDENT: I do not understand the Honourable Member. He must clear this point before I can put the amendment to the House. At present the requirement of the law is that Government must not prescribe a period less than six months. What does the Honourable Member wish to suggest?

THE HONOURABLE SIR MANECKJI DADABHOY: I want to increase the period. Probably it would be better if I change the form of my amendment and so use the words " twelve months " instead of " six months ".

THE HONOURABLE THE PRESIDENT: This amendment I can put to the House.

THE HONOURABLE SIR MANECKJI DADABHOY: That would serve the same purpose. I move that the words " twelve months " be substituted for the words " six months ", if there is no objection to the form in which I have now placed my amendment.

THE HONOURABLE THE PRESIDENT: To the clause under consideration amendment moved:

" That in the proviso to clause 3 for the words ' six months ' the words ' twelve months ' be substituted."

That amendment is now under consideration.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): I should like to hear from the Honourable Sir Maneckji Dadabhoy how he arrives at his conclusion that six months will not be a sufficiently long period. No period at all was put in in the Bill as reported on by the Select Committee. The period of not less than six months appears to have been inserted in the other House. I should like an expression of the opinion of the Honourable Mover of the amendment as to why he considers that six months would not be sufficiently long.

THE HONOURABLE SIR MANECKJI DADABHOY: I have already explained the position. I think six months is not a sufficiently long period in a matter like this, as is considered by the Government of India. Most of the population who are in possession of small coins are illiterate classes of people. You propose to withdraw not rupees, not 8-annas pieces, but you propose to withdraw smaller coins, which generally are in the possession

of the illiterate classes of people. News of this kind filtrates very slowly into the interior of India. It may be all right in Presidency towns, but it would cause, certainly in my opinion, some amount of hardship if the time for presentation of coins is limited in a legislation of this character. The maximum amount of time that is possible ought to be allowed. It is for this reason that I propose a period of not less than twelve months.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, in view of the fact that, should the amendment proposed by my Honourable friend be accepted by this House, the Bill will have to be sent back to the Legislative Assembly for further consideration, and that there may be a possible conflict of opinion, and in any case there is bound to be delay in the passing of this Bill. I would like to invite the attention of the House to this. Is it worth our while to amend the Bill as proposed by my Honourable friend, considering the difficulties to which I have already referred? Now in that connection I would like to invite the attention of the House to the clause as it stands at present:

"15A. Notwithstanding anything contained in section 12, section 13, section 14 or section 15, the Governor General in Council may, by notification in the Gazette of India, call in, with effect from such date as may be specified in the notification, any coin, of whatever date or denomination, referred to in any of those sections, other than the rupee and half-rupee referred to in sub-section (*1*) of section 12, and on and from the date so specified such coin shall cease to be a legal tender save at a Government currency office :"

Now bearing this fact in mind, that it is only from the date specified in the notification that the coin in question will cease to be legal tender, and bearing in mind the significance of the words, "save at a Government currency office", at the end of this clause, it seems to me to be perfectly clear that so far as the first part of 15A is concerned, its effect is this. The coin in question ceases to be legal tender except at a Government currency office where it continues to be legal tender (*The Honourable Sir Maneckji Dadabhoy*: "For six months only.") I am at present dealing with the first part of the section. If my Honourable friend will kindly concentrate his attention on that part he will find that my contention is perfectly correct, that is to say, the coin remains legal tender at a Government currency office. But then the proviso goes on:

"Provided that such coin shall continue to be a legal tender also at Government treasuries until the expiry of such further period, not being less than six months, as the Governor General in Council may fix by the notification."

This proviso does not say that at the end of six months the coin in question will cease to be legal tender at Government treasuries. What it does lay down is this, that it will continue to be legal tender for a period to be fixed by the Governor General in Council, which period shall not be less than six months; it leaves it to the discretion of the Governor General in Council to make it 12 months, to make it 2 years, to make it 18 months, to fix any period that the Governor General in Council considers in the public interest to be necessary, and until the expiry of that period the coin in question will continue to be legal tender. This six months is the minimum and not the maximum period, as laid down in the proviso.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, it seems to me that, if it was necessary at all to move an amendment, the Honourable Sir Maneckji Dadabhoy should have moved an amendment to the clause itself and not to the proviso. As has already been lucidly pointed out by the Honourable the Law Member, the scheme

[Saiyid Raza Ali.]

of the clause contemplates two definite periods of limitation. The first is the period when the notification comes into force, on which date the coin ceases to be a legal tender anywhere except at Government Currency offices. The second is the period, the minimum of which is fixed at six months, when such coin can only be accepted by a Government treasury. Now, if the Honourable Mover will carefully consider his position, he will find that it may be that the Government in their wisdom, or perhaps want of wisdom as it has been on occasions, will fix a time by the notification which will not be more than one month on the expiry of which the coin will cease to be a legal tender. Let us assume, Sir, that the notification is issued on the 2nd of January saying that the coin will cease to be a legal tender on the 31st of January. I entirely agree with my Honourable friend, Sir Maneckji Dadabhoy, that if Government fixes such a short period, which they will be entitled to do under section 15A which is before the House, that will not give sufficient time to the public and will force them to have recourse to the treasury. I for one do not think that the Government will ever take a step of this character, giving only a period of one month to the public.

Well, on the second point, I think the Honourable Sir Maneckji Dadabhoy is on much more infirm ground. The period contemplated by the proviso is no doubt six months, but that is the minimum, not the maximum period, as has been pointed out by more than one speaker. It may be that the Government will give a period of one year, or 18 months or even 2 years. At any rate I believe they will give a reasonable period. So far as the proviso goes, I do not think it is at all necessary to extend the period. If any long period is at all required, it is in the body of the section itself, which point has escaped the attention of some of us, it seems, altogether. Therefore, Sir, I do not think that the amendment of the Honourable Sir Maneckji Dadabhoy will be advantageous to the public in any way.

Just one word more, Sir, and I have done. I do not associate myself with the remark made by the Honourable the Law Member that if a period of 12 months is put down instead of six months, that will necessitate the sending back of this Bill to the originating Chamber. I for one am quite prepared to take the odium and responsibility of sending back the Bill and asking the other House to take into consideration our opinion on the subject.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I also agree with the previous speaker in the remark he made as to what fell from the Honourable the Leader of the House. The Honourable Sir Muhammad Shafi pointed out that, if we passed this amendment, it would mean our sending back this Bill to the other House and the question will be unduly delayed.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: On a matter of personal explanation, Sir, what I said was that in view of the consequences which will result by our amending the proviso as contemplated by My Honourable friend, it is necessary to see whether any amendment of the kind that my Honourable friend proposes is really required. That was an incidental remark in connection with the main question whether such an amendment is necessary. That is all.

THE HONOURABLE MR. PHIROZE C. SETHNA: I thank the Honourable Member for the information that the remark was only incidental. If we are of opinion that the amendment should be passed, it does not matter what the other House thinks. We have to consider the public interest above everything else. But, Sir, there was another remark which also fell from the Honourable Leader of the House, namely, that perhaps the view expressed in Sir Maneckji Dadabhoy's amendment might not prove acceptable to the other House. May I point out to the Leader of the House that, so far as I remember, there was no time limit fixed in this Bill in the first instance by Government, and it was at the instance of the Members of the other House that this limit of six months was fixed. Therefore, I take it that, if Sir Maneckji Dadabhoy's amendment for 12 months is passed, it will, if anything, prove more acceptable to the other House. For the reasons advanced by the Honourable Sir Maneckji Dadabhoy, I support his amendment. It has always been contended that the people in this country are accustomed to hoard up gold and silver. There may be many coins underground and six months is not quite enough for the purpose. I think that Government will not lose anything by accepting the amendment.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I am trying to understand the situation. It appears to me that section 15-A might be divided under three heads, one with reference to the general public, another with reference to the treasury, and the third with reference to the currency office. With reference to the general public, this section contemplates a notification which is to fix some time and that time is not controlled by the proviso with reference to the general public, but with regard to the treasury itself. The position is thus clear that, with reference to the Government currency office, the coin is acceptable for all time to come. I do not think that the proviso applies to the first part of the section. With reference to the public, of course on the date and from the date which will be notified, the public are bound to discontinue that coin, and not to regard it as a legal tender. That is the first situation that I contemplate as possible under the proper construction of the first part of the section taken in conjunction with the last line of that section itself. I take it, therefore, that the public will be prevented from looking upon this coin as legal tender on and from the date to be notified by the Governor General. As regards the currency office, it is always welcome. There will be no time limit and it is consistent with the policy of all currency offices in the world. But with reference to the treasuries, I do not know what difference there is between the currency offices and treasuries. That is well known to the department concerned. Then, with reference to the Government treasuries a period has to be mentioned by the Governor General in the notification. That this power reserved to the Governor General may be utilised by him from time to time is not contemplated by the provision, because once the Governor General fixes a time he will not be able to extend it unless the power is given by this proviso. Therefore with reference to the disability of the people concerned as to whether the period of six months should be extended or not is a matter for the consideration of the House.

THE HONOURABLE THE PRESIDENT: That is the amendment before the House.

THE HONOURABLE MR. R. P. KARANDIKAR: So, I should think that the section as it stands makes ample provision, unless it is intended that

[Mr. R. P. Karandikar.]

the period of six months must be liable to be changed by the Governor General in Council at his pleasure, which is no part of the proviso. But I should think, as the Honourable the Leader of the House has pointed out, that the section as it stands is all right and there is no need to trouble ourselves further about it.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, I think the only question before the House is this. Currency is after all for the convenience of the public and the question is whether the public will be inconvenienced by the arrangement that is being made. I think my Honourable friend Sir Maneckji Dadabhoy's reason is a good one. The people who use the coin most are the masses and the masses are inconvenienced. I think it is only right that the Government should see that the masses are not inconvenienced. That is the only question before the House. The House has to look as to how far the currency is convenient to the public and not to anybody else, neither the treasury, nor the Assembly. We must look to the public and see how far it is convenient to them. Another point is this, Sir. Very often this kind of legislation works against the poor classes in this way. The shroff of the bazaar or the money-lender in a village where small coins are scarce, knowing well the intentions of the Government, try to screw up the poor classes, who particularly use the small coins, put a discount on the coin and thus inflict hardship on them. Therefore the longer the limit of time the better it is for the masses. I only look at this question from the point of view of the masses. My view is that, as far as the poorest public are concerned, they must have a longer time than the one proposed in the Bill.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, I rise to support the amendment proposed by Sir Maneckji Dadabhoy. I do not support that amendment because of the difficulties about the mint section and the treasury and as to how the treasury is to be reconciled to the mint. That is not a matter of interest to me here. What I want to say is that, when the Government make up their mind to withdraw a particular coin, they should give at least 12 months' notice to all people concerned. There is a large number of people who never read the Government Gazette. I was one of them before I came to this Council. There are others who never read newspapers. This is true at least so far as my part of the country is concerned. So it will take a very long time for this news to reach the poor people, and what will happen is that many of these poor people who put aside small nickle coins in a box, which they open after a year or so, will be put to considerable inconvenience if we limit this period to six months or less. Their position will become untenable. In my opinion twelve months is about the least time that you can allow to these poor people in order to put their holdings or whatever goods they have and convert them into proper coin. From that standpoint I support this amendment and I hope it will commend itself to the House. This House consists of rich people only but the poor people are also there, and I have had good experience of them in my younger days. It is therefore much better that we should give as much time to them as possible.

THE HONOURABLE PANDIT SHYAM BIHARI MISRA (United Provinces: Nominated Official): Sir, it appears to me that this measure is perfectly clear and there need hardly have been all this discussion at such

great length. I entirely agree with the remarks that have fallen from the Honourable Mr. Karandikar. There are three points to be considered. Firstly, a coin is to be a legal tender for the public generally, secondly, it has to be a legal tender at the treasury, and thirdly, how long it has to be a legal tender at the currency office. So far as the public is concerned, a coin once ordered to be withdrawn ceases to be a legal tender for the public with effect from the date specified in the notification of the Governor General in Council. But at the same time that coin, according to the first part of section 15-A, will continue to be a legal tender at the currency office. Then the Governor General in Council can fix an extension which shall be for a period of not less than six months, and it has been pointed out that this period may be much longer. No doubt there is no limit to the length of the period. The minimum limit is six months. So, if the Governor General in Council considers it desirable to fix a longer period, I suppose they will think over this subject and may fix a longer period. But even if they make a mistake, as to err is human after all and I admit that it is possible even for the Governor General in Council to make a mistake, the poor man who holds this coin and does not change it at a treasury during the period prescribed by the notification will not be absolutely a loser. This coin will always continue to be a legal tender at the currency office. If Honourable Members will kindly refer to the last sentence of the Statement of Objects and Reasons they will notice the following:

"The right of the holder to obtain value for any genuine coin in his possession even though it has ceased to be a legal tender is secured by the specific provision in the Bill that a coin once issued shall always be a legal tender at a currency office."

All that he has to do is to take necessary steps to convert the coin within the period allowed by the Governor General in Council at the treasury. A man may sometimes make a mistake, but these mistakes will be in the nature of exceptions and for the sake of exceptions we need not delay a measure which seeks to minimise the chances of forgers to counterfeit the coin of a particular denomination. The object is that the forgers should be frustrated in their designs and the longer the time allowed to the forgers to continue in their nefarious trade the worse for the public. I dare say the man who holds a particular coin is not the only poor man. The taxpayer is also a poor man as has been repeatedly pointed out; and the taxpayer would be taxed twice because of the ingenuity of the nefarious forger in counterfeiting such coins. The object is to suppress the forgers. The less the opportunity for the forgers to counterfeit coins the better. I do not think it is necessary to give more than six months. Six months is quite ample time and, if this period of time is not sufficient, perhaps even 12 months may not be sufficient. You may fix two years, three years or five years, but ordinarily a period of six months should suffice. Even if a man is unable to take his money to the treasury within six months he does not lose the money entirely. He can change the coin at a currency office not only during six months but at any time after that period. There is no limit for it. In my opinion therefore six months' time is quite sufficient and I therefore oppose the amendment.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to support the amendment moved by the Honourable Sir Maneckji Dadabhoy. It is very easy to say that the coin withdrawn from circulation will always be a legal tender at the currency offices. As this is a matter which concerns the smaller coins, the point to be taken into consideration is what

[Lala Ram Saran Das.]

it will cost the poor person to take small coins to the currency office. It is not at all practicable that a person residing three to four hundred miles from a currency office should be asked to go all that distance in order to get his coin, which may be of a small value, changed. I know, Sir, that whenever a period is fixed by the Legislature it is always understood that that will be the period which will be always taken as a period by the Executive Government. I therefore think that the amendment moved by my Honourable friend is quite in order and as such deserves the support of this House.

THE HONOURABLE MR. A. C. McWATTERS: Sir, I agree with the Honourable Mover of this amendment and with the Honourable Sir Dinshaw Wacha that what we have to consider at the moment is purely the convenience of the public. The only matter which the House has now to decide is what period in this proviso is sufficient to provide the necessary amount of warning to the public? The House is no doubt aware that Government treasuries exist at the headquarters of every district. There are many hundreds of them in India, whereas there are only seven currency offices. I think that some Honourable Members have probably under-estimated the immediate effect of the issue of the notification under section 15A. Undoubtedly, when that notification is issued, the coins named will fall into complete disrepute, and I think it will be extremely difficult for any one to pass them on to anybody else and therefore all holders of such coins will try to get rid of them as quickly as possible. The only effect of extending this period of six months to 12 months or any other longer period will be to continue the rather anomalous intermediary period in which the coin can be presented at Government treasuries. After the expiry of that period such genuine coins as may remain with the public will not of course be taken by the cultivators in distant districts down to Calcutta and Bombay. They will be saleable to local shroffs at a price, and holders of genuine coin, who have been remiss enough not to avail themselves of the opportunity provided for presentation of the coins at Government treasuries, will to this extent only be penalised. The proviso already gives Government discretion to fix a longer period than six months, if it is considered desirable. The object of Government is certainly to cause as little hardship to the public as possible. But I do think that the proviso as inserted by the other House is sufficient to avoid undue hardship and therefore I oppose the amendment.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): I want to add just one word. Possibly the objections raised by the Honourable Sir Maneckji Dadabhoy will be met if the Government gave an assurance that the period should not be fixed at less than 12 months. In that case, I think, the amendment will not be necessary.

12 NOON.

THE HONOURABLE DR. DWARKANATH MITTER (West Bengal: Non-Muhammadan): I rise, Sir, to support the amendment proposed by the Honourable Sir Maneckji Dadabhoy. My reason for supporting the amendment is that it always takes time in India, more so perhaps than in other countries, before a change in legislation filters down to all classes of the people, and in that view it is always desirable to give a greater extension of time than six months as the legislation affects all classes of people throughout India. We all know, Sir, that with regard to changes in the civil law we are bound to confess that there are yet a few lawyers now who are not quite familiar with all the provisions of the Civil

Procedure Code of 1908. As regards the masses therefore greater considerations have to be taken into account and it has to be recognized that, when any change in legislation affecting them is proposed, adequate time must be given.

I do not understand, Sir, the position taken up by the Honourable the Law Member, the Leader of our House, when he says, with regard to section 15A, that it leaves the option with the Governor General to fix a time for the notification referred to in the first clause, I mean that such time might be in excess of the six months mentioned in the proviso. As I read it, it will be open to the Governor General to fix a time which will be not less than six months; it may be six months and fifteen days, and it is therefore necessary to safeguard the interests of the public by adding to the proviso the words "not being less than twelve months". My Honourable friend Sardar Jogendra Singh said that he wishes an assurance that the period of the notification in the first part of section 15A, will not be fixed at less than 12 months and in that case he will not perhaps support the amendment. But I do not see, Sir, that it is open to the Government to fix a time which will be not less than 12 months unless that provision is included in the proviso. As I understand the Honourable the Leader of the House, this fixes the minimum limit; the Governor General in Council may not make it less than six months but he can make it more than six months if he so desires. But in order to remove any doubt that the desire which most of the Members here entertain may not be carried out either by accident or otherwise, it would be safer, Sir, to amend this proviso, making the period " not less than twelve months " in order to safeguard the interests of the public.

THE HONOURABLE THE PRESIDENT: The question is:

" That in the proviso to clause 3 the words " twelve months " be substituted for the words " six months."

The Council divided:

AYES—22.

Acharyya Chaudhuri, Maharaja S. K.	Mitter, Dr. Dwarkanath.
Amiruddeen Ahmad Khan, Nawab Bahadur.	Muhammad Hussain, Mr. Ali Baksh
Ayyangar, Mr. K. V. R.	Natesan, Mr. G. A. A. A.
Bell, Mr. J. W. A.	Rampal Singh, Raja Sir.
Dadabhoy, Sir Maneckji.	Ram Saran Das, Mr.
Froom, Sir Arthur.	Ray, Raja P. N.
Harnam Singh, Raja Sir.	Sastri, Rt. Hon. V. S. Srinivasa.
Jaffer, Mr. I. H.	Sethna, Mr. P. C.
Jogendra Singh, Mr.	Umar Hayat Khan, Col. Nawab Sir.
Khaparde, Mr. G. S.	Vedamurti, Mr. S.
Lalubhai Samaldas, Mr.	Wacha, Sir Dinshaw.

NOES—18.

Amin-ul-Islam, Mr.	Misra, Pandit Shyam Bihari.
Barron, Mr. C. A.	Muzammil-ullah Khan, Nawab.
Briscoe, Mr. H. K.	Rafique, Sir Muhammad.
Crerar, Mr. J.	Raza Ali, Mr.
Karandikar, Mr. R. P.	Sarma, Sir Narasimha.
Ley, Mr. A. H.	Shafi, Dr. Mian Sir Muhammad.
MacWatt, Major-General R. C.	Singh, Sirdar Charanjit.
Martin, Mr. J. R.	Stow, Mr. A M.
McWatters, Mr. A. C.	Thompson, Mr. J. P.

The motion was adopted.

Clause 3, as amended, was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to move that the Bill, as amended, be passed.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Coinage Act, 1906, for certain purposes, as passed by the Legislative Assembly, and as amended by this House, be passed."

The motion was adopted.

CENTRAL BOARD OF REVENUE BILL.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I move:

"That the Bill to provide for the constitution of a Central Board of Revenue and to amend certain enactments for the purpose of conferring powers and imposing duties on the said Board, as passed by the Legislative Assembly, be taken into consideration."

Sir, the genesis of this Bill was a recommendation of the Indian Retrenchment Committee on which two very distinguished Members of this House were represented. That recommendation was to the effect that the scope of the Board of Inland Revenue should be expanded so as to comprise certain important revenue departments of the Central Government in addition to Income-tax and that the Secretariat of the Government of India should be relieved of the detailed administrative functions which they exercise in regard to those central subjects. With your permission, Sir, I will read the recommendation of the Incheape Committee:

"We believe that in present conditions great advantages can be secured by freeing the Secretariat proper from the functions of detailed administrative control exercised by it in the past."

After quoting precedents in the United Kingdom and in America, they went on:

"We consider that similar arrangements should be adopted in India, and we recommend that the scope of the present Board of Inland Revenue under the Finance Department be enlarged to include Customs, Salt, Opium and also Excise and Stamps so far as the Central Government is concerned with these subjects. Tariffs would be administered by the Department responsible for commerce, as at present. This proposal should make it possible to eliminate a large amount of work in the Secretariat, and though the saving effected in the Secretariat Budget might be less than the cost of the new appointment, the balance would be more than covered by economies in other directions; for example, the fact that the Board will be the appellate authority for all customs matters should make it feasible to abolish the post of Commissioner of Customs, Bombay, costing Rs. 47,000 annually, and also obviate claims which are now being put forward by other Local Governments for work done by their Boards of Revenue or Secretariats."

This proposal has been accepted by the Government of India and by the Secretary of State, and the Central Board of Revenue has been constituted with two Members to take charge of the subjects which I have mentioned, namely, Income-tax, Customs, Salt, Opium, and Excise and Stamps so far as these are central subjects. But the new Central Board of Revenue is not fully functioning at present, for two reasons; first, because there are certain administrative questions still under discussion with Local Governments, particularly the question of separating the salt and excise establishments in Madras and Bombay and bringing the salt establishments under the direct control of the Central Government;

secondly, because there are certain statutory powers assigned by existing laws to the Chief Customs authorities—as a rule the Boards of Revenue of Local Governments—and to Local Governments which have not yet been transferred to the Central Board of Revenue and where necessary to the Governor General in Council. The object of the Bill which I am putting forward for the consideration of the House is to invest the Central Board of Revenue, and where necessary the Governor General in Council, with the necessary statutory powers. Later on, it will be necessary, when the detailed administrative questions to which I have referred have progressed further, to amend in some respects the Salt Acts of Madras, Bombay and Bengal, but with that we are not at the moment concerned.

The taking over by the Central Government of the direct administration of central subjects is a direct and logical outcome of the clearer delimitation of spheres between the Central and Local Governments which is one of the most important features of the Reforms. It aims at doing away with dual control, which is always a cause of inefficiency. It aims at introducing uniformity into our customs and income-tax procedure and into the decision of appeals. It aims at removing causes of friction, as for instance, when Local Governments have in the past, (and as they are more likely to do in the future) presented claims for remuneration for the services rendered by their provincial officers in helping in the administration of our central subjects. It removes difficulties in connection with Budget procedure. For instance, when you have a combined Budget for the salt and excise administration in Madras, it is obviously a serious matter when the Central Legislature makes a cut in the demands for grants under the head of Salt, as happened not very long ago, the result being that a cut was indirectly made in the budget of a Provincial transferred subject under a Minister. This is absolutely anomalous, and it is anomalous also that Local Governments should have statutory power to interfere in the administration of Central departments. I might add that Local Government officers are naturally less likely to be interested in the efficient administration of departments in which their Governments have no financial interest, and, further, one result of this change will be that the Central Legislature will have a closer control over the whole detailed administration of these central subjects.

Clearly, if this direct administration by the Central Government is to be possible, we want an appropriate machinery, and that machinery cannot be the impersonal machinery of the Government of India Secretariat. We want the Heads of this Department to be in close personal contact with their work and with their officers. We want them to be touring officers, constantly visiting the main centres of the country. We want them to interview frequently the important Chambers of Commerce and other representatives of the tax payer. The efficient administration of a revenue department is clearly not solely a question of collecting a larger amount of revenue; it implies that the revenue should be collected with the minimum of inconvenience to the public, and also that the public should have opportunities of representing and discussing their grievances. We also hope, though I cannot put definite figures yet before the House, that this change will in the long run be economical. We shall get rid of certain charges which we now pay to Local Governments; we shall avoid further claims from them; and we shall by an adjustment of our own central staffs effect other economies. In the long run, we are confident that the arrangement will be economical.

[Mr. A. C. McWatters.]

The sole object of this Bill, therefore, is to give the Central Board of Revenue certain statutory powers which will enable it to function fully. In a Bill of this kind, in which the operative portion is contained almost entirely in one long Schedule, it is difficult to discuss the principle of the Bill, with which we are concerned at this stage, without a very brief reference to detail. I merely wish to say that the references to the Sea Customs Act in the Schedule have the effect of conferring upon the Central Board of Revenue statutory functions now mainly exercised by the Chief Customs authorities. I may add that all these changes have been inserted after full discussion with, and agreement by, Local Governments. The reference to the Income-tax Act is simply to substitute the phrase 'the Central Board of Revenue" for "the Board of Inland Revenue" where it occurs in the Act. The references to the Cotton Duties Act and the Indian Salt Duties Act and the Indian Copyright Act are necessary, because certain functions under those Acts are at present carried out by Customs officers, and it is necessary for us to bring those Customs officers under the control of the Central Board of Revenue. The Bill is really—though the details may appear complicated—quite a simple one and I commend it for the consideration of this House.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to provide for the constitution of a Central Board of Revenue and to amend certain enactments for the purpose of conferring powers and imposing duties on the said Board, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Council will now proceed to the detailed consideration of the Bill.

Clauses 1, 2, 3 and 4 were added to the Bill.

The Schedule was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. A. C. McWATTERS: Sir, I beg to move that the Bill, as passed by the Legislative Assembly, be passed.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I was about to stand when the motion to take this Bill into consideration was before the House, but I thought that clause 2 was only an enabling clause. I am tempted to think that possibly, if the inquiry adumbrated by Sir Malcolm Hailey in his speech in the other House into the working of the Government of India Act of 1919 takes place soon, it should be obvious to all concerned that people would be better able to consider the desirability of having the Central Board of Revenue contemplated by this clause. Obviously there would be a good many changes in the subjects to be given to Local Governments and to be retained by the Central Legislature; and I was at one time tempted to hope that this Bill might be deferred until we know the result of the kind of inquiry that was about to be set on foot with reference to the working of the Government of India Act. Whatever may be the situation, now that we have arrived at this stage I hope that clause 2 will not be

put into operation by the Governor General in Council until after circumstances were ascertained with reference to the working of the Government of India Act of 1919.

THE HONOURABLE MR. A. C. McWATTERS: I understand, Sir, that the Honourable Member is not opposing the motion that the Bill be passed.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member wish to reply?

THE HONOURABLE MR. A. C. McWATTERS: No, Sir, except that I think it is obviously for the convenience of everybody that the Board of Revenue should get to work quickly.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to provide for the constitution of a Central Board of Revenue and to amend certain enactments for the purpose of conferring powers and imposing duties on the said Board, as passed by the Legislative Assembly, be passed."

The motion was adopted.

INDIAN PENAL CODE (AMENDMENT) BILL.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, I move:

"That the Bill further to amend the Indian Penal Code for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

This, Sir, is a very brief measure and will not, I think, require from me anything more than a very brief explanation. It may perhaps, however, be convenient, if I state very concisely, for the information of several Honourable Members, who were not present at previous deliberations of this House, the genesis of the measure. Last year we passed an Act, Act XX of 1923, the object of which was to give effect to certain Articles of the International Convention for the suppression of the traffic in women and children, to which Convention India had adhered. That measure slightly extended the scope of section 366 of the Indian Penal Code; with that we are not at present concerned. It further added two sections to the Indian Penal Code, section 366A, which dealt with the procuration of minor girls and section 366B, which dealt with the importation of girls from foreign countries. The measure now before the House is concerned, Sir, with certain consequences of the enactment of section 366A. It will be within the recollection of the House that, at the time of the discussion of the Bill then under consideration, there was, not only here but in another place and outside the Legislature, a very considerable difference of opinion, upon two points. The first point was whether the age which should be adopted as the age of minority under section 366A should be the age of 16 or the age of 18; and the further and consequential question that arose was whether, in the event of the adoption of the age of 18 for the purpose of section 366A, it would not be desirable that a similar change should be made in sections 361, 372 and 373, which also deal with offences relating to minors which *prima facie* at any rate, are likely to be of a more serious character than that created by section 366A. In view of the course which the discussion took at that time, Government considered it desirable that further exploration of public opinion in the matter should be made, and it was therefore decided that a commencement clause should be inserted, which would enable Government to defer the operation of the Act until they had had further opportunity of doing so. That course was approved by both

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Chambers of the Legislature. Well, Sir, we consulted Local Governments and we asked them to obtain, as far as practicable, non-official opinion on these matters and their opinions are now before us. I may perhaps recall to the House that an Honourable Member from Bombay was disposed at that time to reproach us with what he thought was a certain lukewarmness on the part of the Government in framing measures of social reform. In replying to the Honourable Member at that time I remember stating that it was not correct to say that Government were lukewarm in this matter, but that, if we could ascertain the volume of public opinion that was behind a measure of this kind, we could proceed with more confidence. As I said, opinions have now been obtained. They are by no means unanimous. But I think we have sufficient evidence of sufficient volume of public opinion behind this measure to warrant us in proceeding with it. I do not think I need add very much more to that explanation at this stage in the discussion.

There is, however, one point to which I do think it desirable to advert. Honourable Members will observe that the Bill now before them differs in one particular from the Bill as it came before the Legislative Assembly. The difference is the omission of a reference to section 361. I observed that the opinion which was elicited as a result of our reference to Local Governments was not entirely unanimous, and I may say that on this particular point, whether the age of 18, if adopted for the purposes of sections 372 and 373, should also be adopted for the purpose of section 361, there was a very pronounced difference of opinion. That difference of opinion was reflected in discussions on this measure in another place. It was decided on considerations which perhaps would be more conveniently dealt with on the detailed consideration of the Bill that section 361 did differ in certain material points from sections 372 and 373. In particular, the question of the traffic in girls for the purpose of marriage which is commonly known as '*Bardafaroshi*' was referred to and I think the opinion was expressed that the desirability and feasibility of undertaking legislation so as to control and restrict this practice should be taken in hand. It is obvious that a measure dealing with the question of '*Bardafaroshi*' is one which would very considerably extend beyond the scope of the present measure. I think I may at this stage content myself by saying that it is the intention of Government to take up as a separate issue the question of that traffic and to consider whether legislation dealing specifically with it can profitably be undertaken. With these words, Sir, I move that the Bill be taken into consideration.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, I beg to support the motion that the Bill be taken into consideration. My Honourable friend Mr. Crerar has said that when a similar measure was before this House last year I said that the Government of India was not taking the same interest in social reform measures as it did formerly. This is quite true. I said what I felt that while they themselves took the initiative in old days, they were getting more and more cautious—too cautious at times. It is therefore with great pleasure, I now say, Sir, that in bringing forward this measure they have advanced much quicker than I had expected. The Bill as introduced in the Assembly did contain an amendment to section 361. The Government of India after consulting Local Governments was prepared to amend that section also. It was the Select Committee that decided that this was rather a ticklish question and had better be considered

separately, and it was under the pressure from the Select Committee that the Government of India gave up the amendment of section 361. So far as the Government of India are concerned not only did they put down the amendment to section 361 in the Bill, but even now, as the Honourable Mr. Crerar has stated, they are carefully considering the question as to how far they should go in amending that section so as to stop that very bad practice of '*Bardafaroshi*'. As a matter of fact, Sir, I was thinking of introducing an amendment here. But when I learnt from the Honourable the Home Secretary that Government themselves were considering the question, I gave up the idea, as I fully realise that Government can do much more in the direction than any private member can. I congratulate the Honourable the Home Secretary over this measure which really is an important one and which carries out the promise given last time that if the Government of India got the views of Local Governments in favour of their proposal they would amend the other sections so as to bring them in conformity with others. I support this motion.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Being the representative of Muhammadans, I cannot be a party to passing a Bill which infringes on the liberties of their religion. In our religion, Sir, the age of consent is puberty whenever it may come. It is based on nature and not on any artificial law. It may be said that the age of 16 was fixed before this, but even that is not in conformity with our laws; so, even then, I do not support this Bill. I am therefore in duty bound, Sir, to oppose the passage of this Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Penal Code for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Council will now proceed to the detailed consideration of the Bill.

THE HONOURABLE THE PRESIDENT: The question is that clause 1 stand part of the Bill.

The motion was adopted.

Clause 1 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is that clause 2 stand part of the Bill.

THE HONOURABLE MR. J. CRERAR: Sir, I have only one observation to make on clause 2 of this Bill, and I make it simply because I desire to remove what I believe is a misapprehension in the mind of my Honourable friend Nawab Sir Umar Hayat Khan. It is perfectly true that in discussions regarding section 361 considerable apprehensions were expressed by Muhammadan members of the Assembly as to the possible effect this might have upon the Islamic law and it was, I may say, largely in deference to these apprehensions that Government agreed to accept the recommendation in this behalf of the Select Committee. When we are dealing with sections 372 and 373 I desire to point out that the offences set up by those sections are the offences of selling minors for the purpose of prostitution and buying minors for the purpose of prostitution. I feel convinced, Sir, that my Honourable and gallant friend has not sufficiently

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appreciated that point. He need be under no apprehension whatsoever that the effect of this Bill will be in any way detrimental or otherwise than in consonance with the provisions of the Islamic law.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Will the Honourable Member please give some explanation why the opinions of Local Governments were withheld from Honourable Members and not circulated?

THE HONOURABLE MR. J. CRERAR: On that point I would invite the Honourable Member's attention to the discussions in another place. It was pointed out there by the Honourable the Home Member that it was desirable that this measure should be enacted as speedily as possible, and that considerable delay would be involved if at that stage all the opinions received were printed and circulated. But the Honourable the Home Member at the same time announced that he would take steps to have the opinions obtained placed in the Library, and that was I think accepted as a satisfactory solution by the Honourable Members in another place. I trust it will be accepted equally as a satisfactory solution in this House.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Might I say that the papers were in the Library and I had the privilege of reading the opinions of Local Governments there.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, perhaps in view of what fell from the lips of my Honourable friend Colonel Sir Umar Hayat Khan, it would serve a useful purpose if I, as a Muhammadan, might give him an assurance that the Bill now before the House in no way contravenes the principles of Muhammadan law. On the contrary, it is perfectly in consonance with those principles. Sections 372 and 373 make it a criminal offence for any one to sell a minor for purposes of prostitution. I am sure my Honourable friend realizes that prostitution is as great a sin in Muhammadan law as any other conceivable to that law, and therefore any measure enacted by Government in order to prevent prostitution would, far from being opposed to the principles of Muhammadan law, be in complete consonance with them.

THE HONOURABLE KHAN BAHADUR NAWAB SIR MOHAMED MUZAMMIL-ULLAH KHAN (United Provinces: Nominated Non-Official): Sir, being a humble Mussalman, I think that if there had been the slightest shadow of anything against the Muslim religion every one of us, the Mussalman Members of this honourable House, would have opposed this Bill. But I fail to find anything against our religion. As my Honourable friend the Law Member has just explained, instead of its being against the Muslim law, it is really supporting it. I think in common humanity every one should try to prevent a child, a minor girl, or even an old woman, from being dragged into prostitution. To enhance the age from 16 to 18 is a matter of common humanity and is a principle in entire agreement with every religion and more so with the Mussalman religion. With these words, Sir, I welcome this Bill and support it, and I thank my Honourable friend the Member from Bombay for supporting the Bill so energetically.

Clause 2 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. J. CRERAR: Sir, I move:

"That the Bill, as passed by the Legislative Assembly, be passed."

In making that motion I have only one observation to make and that is that, in the event of this Bill being passed and thereby becoming law, it is the intention of Government to give simultaneous operation to Act XX of 1923 in exercise of the power under the commencement section of that Act. (Hear, hear).

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Penal Code for certain purposes, as passed by the Legislative Assembly, be passed.

The motion was adopted.

PHOTOGRAPH OF THE COUNCIL AND ATTENDANCE OF MEMBERS AT THE UNVEILING CEREMONY OF THE WAR MEMORIAL, RAISINA.

THE HONOURABLE THE PRESIDENT: Before I adjourn the Council there are two matters to which I have been asked to draw attention.

Honourable Members I think have had a notice informing them that they will be photographed at 10-15 to-morrow and I trust they will find it convenient to attend in as large numbers as possible.

The second thing is, I understand, that a great many Honourable Members are going out to witness the unveiling ceremony of the War Memorial at Raisina this afternoon. I notice on the paper circulated by the Secretary that the time is given as 4 o'clock. On looking at my ticket I find the time of the ceremony is fixed for 5-30 and Honourable Members are asked to be in their seats at 5 o'clock. I wish to draw the attention of Honourable Members to the fact that there has been a change in the time

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STATEMENT OF OFFICIAL BUSINESS FOR TUESDAY, THE 11TH MARCH, 1924.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, as announced yesterday, the Financial Statement will be open to discussion to-morrow. The next meeting thereafter for official business will be on Tuesday, the 11th of March, when motions will be made that the Repealing and Amending Bill, which was recently passed by the Legislative Assembly and laid on the table in this House yesterday, be taken into consideration and passed. Thereafter the Honourable Mr. Crerar will move the Resolution of which he has given notice relating to the ratification of the International Convention for the suppression of the circulation of, and traffic in, obscene publications.

GENERAL DISCUSSION ON THE BUDGET.

THE HONOURABLE THE PRESIDENT: I understand from that that the Council will sit to-morrow for the Budget discussion as originally arranged.

[The Presid

Under the Rules of Business it is competent to the President to fix a time limit for speeches on the Budget debate. I have never yet exercised that right. I have always trusted to the good sense of the House and I can only hope that I may be able to continue that practice. One or two Members were a little long last time and I may say here for the information of the House that, if the debate goes on so long, I shall at 4-30 call upon the Honourable the Finance Member, and I hope that Members who speak will bear in mind the rights of other Members. If we begin at 11 o'clock, with the usual adjournment for Lunch, and I call upon the Finance Member at 4-30, Honourable Members can work out roughly what time they are entitled to. I leave it therefore to the good sense of the Council with the same confidence as I leave most other things of this nature.

The Council then adjourned till Eleven of the Clock on Friday, the 7th March.

COUNCIL OF STATE.

Friday, the 7th March 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

Remittances to London.

119. The Honourable Mr. PHIROZE C. SETHNA: Has Government's attention been drawn—

(*a*) to the remarks of the London 'Times' as quoted by Reuter on 4th February as to the exceptional magnitude of the remittances made to London by Government last year; and

(*b*) to the further statement made in the same telegram that Government can pay their way abroad without remittances made this year and without coming into the Exchange market for two years?

The Honourable Mr. A. C. McWATTERS: The answer is in the affirmative.

Liabilities of Government outside India.

120. The Honourable Mr. PHIROZE C. SETHNA: Will Government be pleased to state—

(*a*) what will be the approximate amount required for payment abroad during the next two years; and

(*b*) what is the amount already on hand from remittances made before now to meet such payments?

The Honourable Mr. A. C. McWATTERS: (*a*) The net sterling liabilities of the Government of India during the next two financial years are roughly estimated at £84 millions.

(*b*) The aggregate balances at the end of the current financial year in the hands of the Secretary of State and in the Paper Currency and the Gold Standard Reserves in England are now estimated at £66 millions. There is besides gold worth more than £22 millions in the Paper Currency Reserve in India.

EXPANSION OF THE FOREST RESEARCH INSTITUTE AND COLLEGE.

121. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state the total estimated cost of the scheme sanctioned for the expansion of the Forest Research Institute and College?

THE HONOURABLE SIR NARASIMHA SARMA: The total sanctioned estimate is 58.62 lakhs, which includes the 12 lakhs which it is proposed to spend in 1924-25 and 1925-26.

FOREST RESEARCH INSTITUTE.

122. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to lay on the table a statement of expenditure incurred up to now for each branch of the Institute, *viz.*:—

(i) in purchase of site;

(ii) cost of machinery; and

(iii) construction of buildings, etc., in connection with the above scheme?

THE HONOURABLE SIR NARASIMHA SARMA: The figures of expenditure incurred up to date for each branch of the Institute are not available. A statement giving the information available is placed on the table.

Statement of expenditure incurred up to now for the Institute as a whole.

Amount actually expended up to 31st March 1923.	Estimated expenditure during the current year.	Total expenditure.
Rs.	Rs.	Rs.
(i) 13,13,903	27,990	13,41,893
(ii) ...	...	5,72,700
(iii) 17,61,229	8,80,508	26,41,737

INDIAN OFFICERS IN THE FOREST RESEARCH INSTITUTE.

123. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state—

(*a*) what is the present cadre of officers in the Imperial and Provincial grades in (1) Research branch and (2) Educational branch of the Forest Research Institute and College; and

(*b*) what is the number of Indians in either branch in the two services?

THE HONOURABLE SIR NARASIMHA SARMA: (*a*) and (*b*). There is no cadre of the Indian Forest Service or Provincial Forest Service belonging to the Forest Research Institute and College. The Indian Forest Service and Provincial Forest Service posts on the staff are filled by selected members of those services lent by the provinces. The statement laid on the table gives the information required.

STATEMENT.

(Excluding President, Forest Research Institute).

	Posts sanctioned.	Filled.	Indians.	Others.
Research.				
Indian Forest Service (deputation from provinces) .	11	6	...	6
Special (permanent)	6	3	2	1
Special (temporary), mostly from abroad . .	10	7	1	6
Provincial Forest Service	...	...	...	...
Upper Grade Assistants	11	7	7	...
	38	23	10	13
Instructional.				
Indian Forest Service (deputation from provinces).	5	5	...	5
Provincial Forest Service (deputation from provinces).	4	4	3	1
	9	9	3	6
GRAND TOTAL	47	32	13	19

INDIANISATION OF THE SUPERIOR SERVICES IN THE FOREST RESEARCH INSTITUTE AND COLLEGE.

124. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state—

(*a*) the steps, if any, that have been taken to Indianise the superior services in the Forest Research Institute and College; and

(*b*) if they will fill up, in future, a substantial portion of vacancies in the Forest Research Institute and College—

(i) by promotion of qualified Assistants of the Provincial grade; and

(ii) by direct recruitment of trained and qualified Indians?

THE HONOURABLE SIR NARASIMHA SARMA: The classification and composition of the staff of the Forest Research Institute have been explained in the answer to the Honourable Member's previous question. The Government of India are anxious to find opportunities for duly qualified Indians and they will get their chance to fill the Indian Forest Service posts on the staff as they attain the requisite seniority and experience. It is only in comparatively recent years that Indians have been recruited in any numbers to the Indian Forest Service. Two of the permanent special posts are now being understudied by directly recruited Indians.

There are no qualified assistants at present of the provincial grade. The upper grade assistants employed in the Institute do not at present possess the necessary qualifications.

TEMPORARY VACANCIES IN THE FOREST RESEARCH INSTITUTE.

125. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) Are Government aware that in the Forest Research Institute, even in temporary vacancies, Imperial officers are put in charge of sections of which they possess no expert knowledge?

(*b*) Are Government aware that there are available Provincial Service assistants who do possess more knowledge of such sections than those referred to in (*a*)?

THE HONOURABLE SIR NARASIMHA SARMA: (*a*) The work in a section of the Forest Research Institute is of two kinds—research and administrative. When the officer in charge goes on leave it sometimes happens that there is no other officer available who is fitted to carry on his research work. In that case it is the practice to hold the research work in abeyance and to entrust the administrative duties to the head of another section who performs them in addition to his own. Such an arrangement is both efficient and economical, and the Government of India do not propose to make any change.

(*b*) In view of what is said above this does not arise.

OFFICERS IN CHARGE OF VARIOUS SECTIONS OF THE FOREST RESEARCH INSTITUTE.

126. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state if it is a fact that the charge of the Entomological Section in the Forest Research Institute at Dehra Dun was once held by the Personal Assistant to the Resident, who had no scientific training whatever, and that charge of the Chemical Section was held by the Forest Entomologist and similarly charge of the Botany Section too by an Entomologist in preference to qualified Indian Assistants in each of those sections, and the reasons therefor?

THE HONOURABLE SIR NARASIMHA SARMA: It is a fact that the Personal Assistant to the President held charge of the administrative duties of the Entomological Section in the Forest Research Institute in addition to his own duties under the system described in my answer to the previous question, but it is not a fact that he had no scientific training whatever, as he possessed a high degree in science of the University of Edinburgh. It is also a fact that the administrative duties of the Chemical and Botany Sections were performed in addition to their own duties by officers in other sections also for the reasons given in my answer to the previous question.

NEW DELHI.

127. THE HONOURABLE MR. PHIROZE C. SETHNA: In regard to New Delhi, will Government be pleased to state—

(*a*) if its revenue account is kept separate;

(*b*) if the answer to (*a*) is in the negative, the heading under which the expenditure of maintenance of buildings, roads, water-supply, lighting, conservancy and other facilities is debited;

(*c*) if the answer to (*a*) is in the affirmative,

(i) what is the total amount from the commencement up to 31st December 1923 that has been spent on maintenance of buildings, roads, water-supply, lighting and conservancy;

(ii) what other facilities, if any, are afforded to the residents at New Raisina and their respective costs from the commencement up to 31st December 1923;

(*d*) what percentage do the rents recovered from the bungalows yield on the cost of the bungalows (with or without the value of the land) but after allowing for depreciation, repairs and also depreciation and repairs to furniture?

THE HONOURABLE MR. A. H. LEY: (*a*) No.

(*b*) The expenditure on the maintenance of buildings, roads, water-supply, lighting, conservancy, etc., is, during the period of construction, charged to the Project Estimate for the construction of the New Capital. This is unavoidable as, until a work of this magnitude is completed, it is impossible to separate off the accounts for each separate portion, as it is finished, into maintenance as distinct from construction.

(*c*) Does not arise.

(*d*) The information is not available, because the project is still under construction. All rents received are credited to the Capital Account. The annual rent is, however, calculated so as to cover interest and repairs both in the case of buildings and furniture.

THE HONOURABLE MR. PHIROZE C. SETHNA: What is the rate of interest calculated?

THE HONOURABLE MR. A. H. LEY: I cannot remember that at present; I will, however, let the Honourable Member know the rate.

DEPARTMENTS IN WHICH THE SUBORDINATE STAFF CONTAINS A MAJORITY OF NON-INDIANS.

128. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state—

(*a*) in which department or departments is there a majority of non-Indians (including Anglo-Indians) in their subordinate staff;

(*b*) the reasons why in such department or departments the majority of the subordinate staff does not consist of Indians?

THE HONOURABLE MR. J. CRERAR: (*a*) In no department.

(*b*) Does not arise.

DISCOURAGEMENT OF THE USE OF WATER TRANSPORT.

129. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to lay on the table any departmental reports or correspondence which may have taken place during the last ten years, on the subject of discouragement of the use of water transport through the establishment of railways or through the policy of fixing railway rates in competition with water transport so low for the time being as to compete with transport by water?

THE HONOURABLE MR. D. T. CHADWICK: The question is framed in such general terms that it is not possible to comply with this request, but if the Honourable Member will state any individual cases on which he desires information the question of collecting the relevant papers and reports will be considered.

CONGRATULATIONS TO THE HONOURABLE THE PRESIDENT ON HIS APPOINTMENT AS HOME MEMBER.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, on behalf of my Honourable colleagues in this House, official as well as non-official, I rise to offer you our congratulations on your appointment as Home Member in succession to Sir Malcolm Hailey, (Applause) and to wish you every success in the new sphere of public service to which His Majesty, the King Emperor, has called you. We in this House have very naturally heard this news with the utmost pleasure not only because of our close and personal association with you now for a period exceeding three years, not only because of the splendid work which you have done as President of this Council, but also because of your consideration and your courtesy to everyone of us in this House and the splendid manner in which you have upheld the dignity of the Council of State. (Applause.) It is true that the responsibilities attaching to the office of Home Member are in the existing political conditions, heavy as well as difficult. But I have no doubt whatever that your administrative ability and experience, the knowledge which you have acquired of Indian political conditions and Indian sentiments during the long period of your association with the Indian Legislature, will be of immense help to you in the satisfactory performance of the responsible duties connected with that office. And I take it as a happy augury that the last photographic group of this House in which you figure as its President has been taken on the very morning of the announcement of your appointment as Home Member. Personally, I regard this appointment with very great pleasure, for I have known you almost from the very day of your entry into the Government of India Secretariat. We were Colleagues together in the old Imperial Legislative Council, for a very short time we were colleagues on one of Lord Southborough's Committees in connection with the Indian Reform Scheme, and we have now been Colleagues in this House for over three years. I wish you, Sir, every success in the new sphere of public service to which you have been appointed.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, being one of the oldest Members of this Council, naturally I feel very great pleasure at this news—such a pleasure that I am sorry I cannot express it so well as others. I think, Sir, your name and your reputation alone are sufficient to say that you will adorn this new post. We all hope, Sir, that many greater things are still in store for you. I congratulate you, Sir, on behalf of myself and on behalf of the Muhammadans I represent.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, on behalf of the Members of Bombay, I beg, Sir, to associate myself with the very eloquent testimony which the Leader of the House has paid to your many presidential, intellectual and other social qualities. I have known you, Sir, for the last 10 years nearly and have

been associated with you very closely in many of the working committees, especially the very committee which had originally framed all the rules and regulations in reference to the Act. There I always noticed how very prompt and alert you were to find out fallacies, to point out defects and expose incongruities and at the same time to ship-shape every rule and regulation that was discussed in conjunction with Sir William Marris and Sir S. P. O'Donnell. From that time forward I have always noticed, while working in close contact with you, the same quickness and juridical ability with which you have carried on your special work, which is, of course, the most important work, and it is on account of that identical work that we are now daily regulating our own procedure in this Council. Sir, after the very eloquent testimony which the Leader of the House has given in reference to those high presidential and juridical attainments I find that I have very little to say and I do not wish to traverse the same ground. But I believe that there is not a single Member either in this House or outside it who will say that Sir Alexander Muddiman has not deserved the great honour which His Excellency the Viceroy has conferred on him. (Hear, hear). I think, Sir, it redounds greatly to the credit of the Viceroy himself who has with his usual cautious and farsighted statesmanship selected you for this very high and most responsible post of Home Member of the Government of India. We all hope, Sir, that in that office you will achieve greater distinctions for yourself and by the time you retire these distinctions will be supplemented by still higher honours. There is nothing more which I can add save this that, so far as this House is concerned, my personal experience informs me that you have been not only judicial but highly impartial. Sir, you are leaving the Chair of this House on which you have reflected no little credit and which requires for its occupant the greatest courage, independence and intimate knowledge of parliamentary procedure. I heartily congratulate you and wish to say that you may have a more brilliant career in your new office.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, on behalf of the Central Provinces and Berar, I associate myself with all that has fallen from the Leader of the House and what has been said by our veteran friend Sir Dinshaw Wacha. Sir, as one who has been closely associated with you for the last 15 years and who has had abundant opportunities of witnessing your remarkable ability and powers of work both in this Council and outside it, first as a modest Deputy Secretary and later on as a Secretary of the Legislative Department, I entirely endorse what has fallen from the previous speakers. Sir, I wish to add my personal testimony to what has been already said. Your marvellous powers of work, your forensic knowledge, your powers of concentration, have won for you an esteem and a reputation which have been won by but very few members of your service in this country. I am not exaggerating, Sir, when I pay this tribute to your intellectual powers and to your powers of work. Sir, the post of a Home Member is no longer a bed of roses. In the onerous and responsible duties that you will have to perform very soon you will be confronted with a conglomeration of circumstances which are so divergent, so opposite and so conflicting in various ways. But we have no doubt that the unrivalled experience that you have gained and the great knowledge that you have acquired by contact with this Council will be of great value and service to you in your new sphere of duties. Sir, I, with the rest of my friends here, welcome this appointment, and I quite agree with Sir Dinshaw Wacha when he said that the appointment made by His Excellency the Viceroy is an

[Sir Maneckji Dadabhoy.]

extremely cautious and prudent one and will meet with the approbation of both the Legislatures and the country at large. I wish you all success in your new and responsible task.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, speaking on behalf of my friends from Bengal and myself I feel a peculiar pleasure, for I regard the appointment subjectively. It is a belated and vicarious justice to Bengal. (Hear, hear). All that you may have achieved and all that you may yet achieve is due to the knowledge that you attained in that well worn out chair in our High Court, where an assiduous, devoted, intelligent and continuous work was necessary. The contact that you had with law and lawyers has not been the least of your assets in the remarkable work that you have done, to which unanimous testimony has been borne. Sir, I do not envy you. Coming after, Sir William Vincent and Sir Malcolm Hailey who had themselves beds of no roses, your work will be still more difficult. But it will be much more interesting, for spacious days are ahead. We have faith that you will discharge your duties in the larger sphere in the same way that you have discharged them elsewhere. It is a no small achievement to have worked so long and to have made no enemies. If such can be said about you when at the end of five years you leave the chair of Home Member, you will indeed have reasons to be glad and your friends will be proud of you. That you will not offend anyone, that you will not go against the best interests of the country, no doubt according to your own lights, goes without saying. We know also that you have many imperfections. You are but an incomplete man, from the point of view from which we are accustomed to consider humanity. The wonder is that you have that inexplicable something in you which has enabled you an incomplete and imperfect man—to discharge creditably high social duties. (Applause). When you have done that you can achieve a great deal. I am sure the best wishes of your friends in this Council and of all who have known you outside will be with you evermore. Sir, we are living in difficult times, but we have faith in Providence that shapes our affairs, and we believe that the encircling gloom will soon lift, and it will be your great privilege if you will, to assist in the evolving of our higher life and of order out of chaos, that, as it happens, is the Home Member's special problem and privilege.

THE HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab: Muhammadan): Sir, on behalf of my province which, though young in years is old in loyalty and devotion to the British Government, I have the honour to congratulate you on the new office which has been conferred upon you by the King Emperor. The news which was announced this morning gave a real joy to all of us because, on account of the personal association and ties which we have formed, we consider that it was a great honour done to this House that its President should be selected for this high position. The appointment was for a long time a matter of speculation in all the Provinces, and everywhere it was asked who was likely to be the fortunate Home Member! But some of those who knew you, Sir, indulged in great hope that you would perhaps be the recipient of this great honour. It has been said that the office is not a bed of roses. It is true, and especially in these days, but even if it is a bed of thorns, it is made comfortable by the personality of the man who occupies it. Your optimism and your cheerful disposition will make the task that is before you very easy. Pessimists have never done anything in the world. It is the optimists who have

ensured all advance. You have endeared yourself to us all. It is true you have never spared any Member, but that you have done with a cheerful face which has taken the sting out of any criticism. Sir, we shall all miss you very much, but our loss is your gain, and we are therefore reconciled to it, and we hope that further honours await you in the position which you will occupy henceforth. Sir, with these few words I congratulate you most cordially on this dignity.

THE HONOURABLE RAJA SIR RAMPAL SINGH (United Provinces Central: Non-Muhammadan): Sir, I know you are feeling a little impatient, not only because you want the budget debate to begin at once, but also because you do not like to hear the eulogy that you so richly deserve. Sir, on behalf of the Members of the United Provinces, I most cordially and whole-heartedly support the observations that have fallen from the lips of my Honourable Colleagues. It is not only a matter of gratification, but also of congratulation to this House that its President has so worthily been promoted to the exalted office of Home Member of India. Sir, it is a matter of common knowledge that, owing to your qualities of heart and head you have endeared yourself to every one who has ever come in contact with you. We are quite confident that you will be able to discharge the duties of the office to which you have been promoted, and rightly. I whole-heartedly congratulate you and wish you every success.

THE HONOURABLE MAULVI ABDUL KARIM (East Bengal: Muhammadan): Sir, on behalf of the Mussalmans of Bengal, I beg to offer you our heartiest congratulations. I have not had occasion to know you long, but within the short time I have known you, I have been struck with your courtesy and the power you have displayed in preserving the dignity of this House. I am sure that, in the new office to which you have been called, you will discharge the duties with credit to yourself and to those who have called you to this exalted office.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non-Muhammadan): Sir, my Colleagues from Madras desire that I should add a word to the tribute of praise which has been paid to you this morning. I cannot improve on the appropriateness and felicity with which the Leader of the House began this morning, on the appropriateness and the felicity I think I shall congratulate both him and you. It was with great surprise that I heard the news to-day, for I never heard your name mentioned amongst those who were thought likely to be honoured with the Home Membership; but I can assure you that the joy with which we heard the news far far exceeds the surprise. To me who has been honoured with your personal friendship, and I may add with your personal regard, it is a matter of particular gratification to say a word by way of appreciation of the high honour that has been conferred on you. Sir, may I say that your brief spell of office here in a position of comparative detachment from the hot politics that prevail to-day will enable you to enter upon the duties of your onerous office as Home Member with greater qualifications and greater promise of success. I do understand, as others do, how very onerous and how very exacting will be the duties of the Home Member in the future, but it is rather on the bright side that one wishes to look, and I know, Sir, that you bring to the office many a qualification which a long career in the Indian Civil Service does not always guarantee. Well some of us, not me particularly, but some of us will derive a sort of malicious pleasure when you sit in the Chair of the Leader of the House

[The Honourable Srinivasa Sastri.]

in that place and solicit rulings from the occupant of the Chair. Some of us may feel fully avenged when you regret that you ever asked for those rulings.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): I rise on behalf of the non-official Europeans in this Council to join in the many congratulations which have been expressed by speakers before me. I join in them most heartily, and I wish you every success in your new office. As has already been expressed, our loss is the Home Department's gain, but I think I shall be giving expression to the feelings of all the Members of this Council in saying that we do not wish to be selfish, and that, although we regret your departure from the presidential chair here, we are quite pleased that the Home Department should be strengthened by so capable a new Home Member. Sir, I have known you for a number of years as a personal friend. I have sought advice from you, and whenever we have had a slight discussion, I have always felt I had to bring all my wits to bear to try and get *next*, as the Americans say. Your quickness of thought and powers of repartee no doubt will stand you in good stead in your new office.

Again, Sir, you are a man who works hard and also plays hard. I have known you play hard. I have known in a game of tennis that terrific backhand shot of yours. Playing hard after working hard, I always think, makes the best man.

Before I sit down, Sir, there is one small matter I would like to refer to—perhaps as a matter of warning. It may be sometimes difficult when you are sitting on the Government Benches to refrain, out of your past experience, from calling yourself to order!

Sir, I heartily congratulate you and wish you the best of good luck in your new office.

THE HONOURABLE THE PRESIDENT: I really am very much touched by the kind words and expressions of good-will that have come from all quarters of the House. I have, as some Honourable Members have said, been connected with the Indian Legislature for a great many years and there are those who are sitting on these benches who are and have been for many years my personal friends. It has been of great assistance to me in discharging my duty in the Chair to know that. Many of them, some even who will be my future Colleagues, were at one time very much in my confidence and I think I was a little in their confidence in the days when they sat on the non-official benches, when perhaps their knowledge of procedure was not as clear as it is to-day. I think there are those who may remember when we tried to draw up the questions and Resolutions which would pass the Draconian criticism of my old friend and master, Sir William Vincent, the then Secretary of the Legislative Department. There are others like my friend the Honourable Sir Dinshaw Wacha who has, if I may say so, watched me grow up, who nursed and instructed me in public affairs, not I am afraid in certain directions with success, because I never could understand finance though I have been told a good deal about it by Sir Dinshaw Wacha! I think in this House there must be quite a number of Members with whom I have worked for at least 15 years, and I am really exceedingly touched by what you have all said. I am also a little alarmed. The prospect of this new

post made me shiver for some time before I took the plunge, and had I heard the warnings that have been conveyed from various quarters of the House to-day I think I would have decided to shun it. I have been accused of being an imperfect man by an old friend of the Calcutta High Court days. He remembers me when I was connected with that august body. I think his charge must be a reference to my forlorn status as a batchelor. That is, I hope, not irremediable!

And now I must not keep Honourable Members—particularly one who will be my future Colleague—from what he may have to hear on a subject of far greater importance than my humble self. Therefore I will again thank you all very gratefully for your very kind words and say that it is a real encouragement to me to feel that I have many friends in this House who wish me well for, in taking a job like this, I can assure you all I am not taking it for any other reason than a sense of duty.

GENERAL DISCUSSION ON THE BUDGET.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, we in this House and the other lot of Members in the other House will be talking on various subjects for the welfare of the country. I would like first to refer to that subject without which no progress could properly be made in the country and that is peace and tranquillity. For that an efficient Army, a contented Army is needed. What we have done lately is to cut down the numbers, and every one who is professing to be a friend of the country has been suggesting to cut down the numbers and saying that these are not needed. Lots of soldiers have in this way been disbanded and are practically stranded, and their feelings are not so joyful as they were before the war. These feelings have unfortunately been exploited by what we may call the politically minded agitators who have chosen to get at the loyalty of troops by propaganda. At first they did not achieve much, but I am sorry to say that now, when they go to the countryside from which recruits are being drawn for the Army, these agitators have been up to a certain extent able to achieve their evil and wrong objects.

Then, Sir, the Frontier, where there are lots of fighting races, is a very good ground for training soldiers, but we have been spending money hand over fist all the time to keep these frontier people from mischief. The politicians used to say that we ought to have buffer States because, if there are no such States, we may have to fight with a bigger nation. If Afghanistan, for instance, was not there, we may have still to fight some other bigger nation. But in France, Germany and elsewhere on the Continent there are no buffer States and I do not think, except for the great War, there have been so many skirmishes and troubles as there have been on the Frontier. It is much better to conquer them once for all and finish with it by making them subjects of His Majesty.

Then, Sir, all of us, though I of course am not very much of that opinion myself, are thinking of getting Swaraj. How is that Swaraj going to remain if there is no one to defend the country from trouble and external aggression?

THE HONOURABLE SIR MANECKJI DADABHOY: There will be Malik Sir Umar Hayat Khan.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: One man alone cannot do much. We must have big battalions. Then again, Sir, being a Muhammadan, I am sorry I feel it my duty to say, though people may not like it, that we feel that this Swaraj will be a Hindu Raj (*Honourable Members*: "No, no,"), because they predominate. We feel that they will predominate and our voice will not be heard because even if there are three-fourths of people in this House on one side and one-fourth on the other when the votes are taken the majority of three-fourths will carry everything. It will be exactly the same thing under Swaraj. It is for this reason, Sir, that we have been clinging together,—with the Government which is considered to be foreign like ourselves so that we may not be beaten in detail as we say in military parlance—beaten one by one. Again, if there is a bullock four times as strong as another, how can they go through to pull a cart? One will succumb and break down and the other will not be able to pull the cart alone, and so the cart will break down also. And it is very natural that this thing should happen. As knowing some of the tenets of my religion, I may say that at the time of the Prophet, when the Muhammadans were in trouble, he sent all his relations to Abyssinia which was under a Christian King. I for one say this emphatically that we want the English Raj, a Christian Raj, far more than the other. There have been some great people in India, who have been trying to make us into one nation; the first attempt was made by a great Guru, Baba Nanak; but instead of making two religions into one, he made it into three. Later on of course . . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member will remember that this is a Budget debate.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: I will say why it is relevant, Sir, because I consider that if this Government is not going to work in future as at present and is going to extend Swaraj to the peoples of India thinking them to be a nation, then all the money which will be spent on it will be lost. In this connection I might cite the history of the Attock river; it is called the Attock because it ordained the Indians to refrain from going on the other side. Attock means stop; and, if we look at history, we see that every time the river was crossed by the invaders India was conquered. India never conquered any other country, say China or any other. (*The Honourable Lala Ram Saran Das*: "It did conquer".) I have never read that India conquered any other country. On the other hand, any one who came from the north-west conquered India. If they stayed in India, they got so weak that they were conquered in their turn. The present Government also comes from the north-west, though from a little farther away. Since they came they have so organised us that we have been able to withstand these inroads. (Here the Honourable Sir Mozamill-ullah Khan interrupted with a remark which was inaudible.) I am sorry to say that my friend who comes from a lower part of the country knows nothing about it because they have never been attacked; but we unfortunately in the Punjab, especially the Western Punjab, know that when Nadirshah and Ahmed Shah came there was a proverb that what you ate and drank was yours and all the rest belonged to Ahmed Shah . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: I do rise to a point of order. You have been good enough, Sir, to warn us yesterday that the Honourable the Finance Minister will begin his reply on the debate at 4-30 this afternoon. There are many Members here who want to discuss

this very important Budget, and I do not think the time of this Council ought to be taken up by discussion of matters that do not pertain purely to the Budget.

THE HONOURABLE THE PRESIDENT: I have already asked the Honourable Member to get to the Budget. I must ask him to do so again. He is getting very wide of the Budget, and we have not an unlimited time. On the other hand, I have no desire to check him unduly. I assume he has some point in regard to the Budget. Will he come to it as soon as possible?

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: I have taken only ten minutes up to now.

THE HONOURABLE THE PRESIDENT: That is rather a long time as a preamble for approaching the matter under discussion.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: I was speaking on the Budget, because they say the Army takes away more money from the Exchequer of India than anything else; and as the Army secures the welfare of the country and keeps it tranquil, my remarks are connected with the money spent on it and the Budget more than anything else. It is for this reason, Sir, that I am against any money being spent on Swaraj. If, for instance, the Germans had won, well, I know what they would have done with the Muhammadans—they would have made them keep pigs; and if the Bolshevists come in, all money and property and even the people's households will be considered to be common property.

Then, Sir, though we spend a great deal of money in England by sending out our Indian representatives, unfortunately the people in England do not know the proper situation in India. It is because it is so camouflaged by the papers, extremist and others, which go to England; it is only from them that they gauge the situation and from the people who are taken there as advisers. Unfortunately, these advisers all belong to one profession, law, and as it is needed for a good legal practitioner that he should be first in the school and then in a big town to earn a living and a name, such men are absolutely out of touch with the masses, generally speaking; and it is the masses, Sir, to which Government ought to direct their efforts. There is great deal of it also here, with the Central Government.

Then, Sir, of course we people who belong to the martial classes must give vent to our feelings that we are being very badly treated in these days. Some animals who put on the lion's skin are considered to be the lions and the poor lions claws and teeth are broken by the authorities, are tied down and thrown before them. That is absolutely unnatural, and I do not think this state of things can live long. Something will come on; some trouble will happen and no amount of money spent then will avail as we would have to go for all this clerkdom.

Apart from this, being a zamindar, there have been lots of discussions here in which I have given vent to my feelings for them and I will not repeat it because I have been reminded about the time. All that I want to say now is that, when there are acquisitions of land or when there is assessment, when the zamindar asks for justice, he has to go to a Government servant whose very existence in future life is in the hands of the Government, and who cannot do proper justice because he is afraid of ruining his career. It is absolutely necessary that some tribunal should

[Col. Sir Umar Hayat Khan.]

be established when there is a case between Government and the zamindar, an unbiassed tribunal, chosen then and there from non-officials or others and they should decide between the contending parties.

With these few remarks, Sir, I congratulate the Finance Minister, not like the congratulations as people used to say last year as a custom, but actually, as the Budget is really worth congratulations.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, I believe the House will agree with me when I congratulate the Honourable the Finance Secretary on the excellent manner in which he put all the Budget figures before us and put the Budget so lucidly before the House. Before I come to the Budget I have one request to make to the Honourable Finance Member about providing us with copies of the printed proceedings of the Standing Finance Committee. Reference is very often made to them in the demands for grants; I wanted to refer for instance to the *ex-gratia* grant of 25 lakhs, and I found it stated on page 165 of the Demands for Grants Volume "*Vide* proceedings of the meeting of the Standing Finance Committee, etc., etc." Sir, I trust the Honourable the Finance Member will show this House the courtesy and consideration of providing them with copies of these proceedings, because, in the absence of these proceedings, we cannot know anything of the reasons of including these amounts in the Budget.

Coming to the Budget proper, I will not follow the precedent of the Honourable the Finance Member and keep till the end of my speech the question of what he called "an exciting inquiry" that is about the salt tax. That is I grant, Sir, an exciting inquiry. The Honourable the Finance Member said yesterday in the other House that he was quite sincere when he recommended that the Assembly should accept his suggestion of reducing the Provincial grants and not reducing the salt tax. I hope, Sir, he will give me credit for being equally sincere when I say, that we, the representatives of the people, cannot accept that suggestion. I will give my reasons shortly. I would like to say here, that the Finance Department has always been courteous and obliging to us whenever we have asked for information. When the Honourable the Finance Member's speech came into our hands, I found that he said that 36 lakhs of maunds more were taken up by the traders in the first two months of 1923, and I wanted to see the figures for myself. I asked for these figures and they have been kindly supplied to me. I do grant, Sir, that in the first two months of 1923, the issues were 36 lakhs maunds or rather 40 lakhs more than in 1922. The figures are correct, but that raises another question. The salt tax was increased in 1922. It was thrown out by the Assembly in that year, and there were not any undue increase in the issues in that year. In 1923, also the salt tax was raised, and the Assembly threw it out, and many Members of this House had no idea till the very last day that the increase in the salt tax would be included in the Finance Bill and introduced here as a recommendatory measure. I think, Sir, the country has a right to know how this information leaked out because there is no doubt the Honourable the Finance Member is quite right in saying that there have been issues to the extent of 36 lakhs of maunds more than the average issues in previous years. How is it that the traders came to know of this when none of us in this House had the slightest idea that the salt tax would be brought forward before the House as a recommendatory measure?

Coming to the other figures; while I am quite prepared to accept the first part of the Honourable the Finance Member's statement that 36 lakhs of maunds were issued in excess of the last two years' average, I cannot accept the second part of the statement that the stocks have gone down because the traders thought that the salt tax would be removed this year. So far as we are concerned, Sir, we had not the least idea that the salt tax would be brought even down to Rs. 2. Yesterday the Honourable the Finance Member said that representatives of the Swaraj Party—he did not use that word—but he must have meant them when he said that he heard birds whispering that they were going to oppose the salt tax. If the Honourable the Finance Member will, however, be good enough to go through the figures which his department have supplied to me, he will find that the issues during the last six months have not been so low as represented by him in his speech. The Honourable the Finance Member in his speech went on to say that he had no evidence that consumption has gone down. I asked his department to say what evidence they had tried to collect on the matter. The department told me that they had made attempts to collect evidence, but that they were not quite sure of the exact figures. The Honourable the Finance Member said yesterday that his evidence was based upon the evidence of the traders. It is these traders, Sir, who get information in advance, and then they abuse that information. Are these traders to be trusted? I would not trust them unless I had an opportunity of examining them in the presence of the Honourable the Finance Member and, after sifting their evidence, if we come to the conclusion to which he has now come, I shall be quite prepared to accept his conclusions. The only conclusion that I can now draw is that there has been a reduction not only in the issues but in the consumption of salt as well. If that is so, it means that the poor man has been hard hit by this increase in the salt tax . . . .

THE HONOURABLE SIR BASIL BLACKETT: It is not so.

THE HONOURABLE MR. LALUBHAI SAMALDAS: The Honourable the Finance Member says it is not so. Here are the figures. In the year 1922-23, the total sale was 496 lakhs of maunds and in the next year it was 380, and it is a pure assumption to say that it is due to the stocks having gone down. There is no evidence for it, and if he will kindly tell us later on what the evidence is . . . .

THE HONOURABLE SIR BASIL BLACKETT: I said yesterday that my evidence came direct from the traders. There is the definite evidence that there has been under issue. The Honourable Member says that there is no evidence, but that there has been reduced consumption. That is a statement based on pure assumption and on no evidence whatsoever.

THE HONOURABLE MR. LALUBHAI SAMALDAS: It is a question of direct evidence, and, unless we see the evidence which the Honourable the Finance Member has got before him, and unless we have an opportunity of examining the witnesses in our presence and sifting the evidence, I am not prepared to accept that statement.

My assumption is quite clear. At any rate there is no evidence brought before this House that the lower issue of 116 lakhs is not due to lower consumption. Let the Honourable the Finance Member adduce evidence. If he does so, then it will be time to say that the consumption has not gone down. Sir, India is a poor country, and she cannot afford

[Mr. Lalubhai Samaldas.]

to pay a higher salt tax. This has been said, not only by the representatives of the people in this and the other House, but by a high authority like the Secretary of State. That statement has now been explained away in a manner. I am not quite sure whether the explanation that is now sought to be put upon it is a correct one. I am going however to quote the authority of a person in a much higher position, one who is now the Prime Minister of England, and his authority at least, I hope the Honourable the Finance Member will not controvert. He says:

"The salt tax has long been regarded as a blemish on our Indian fiscal system. It is light (when it was lowest, from 1907, it stood at Re. 1 per 82 2/7 lb.—it is now Rs. 2-8-0—and meant a tax of about 3½*d.* per head per annum), but still it is no mean proportion of the income of Indian families. Though salt taxation was known in India before, its present history dates from the imposition of Clive and Warren Hastings when the Company was hard up. It has been upheld on the ground that it is well that every Indian should feel the cost of Government. As a matter of fact, he feels nothing of the kind; he just knows that the price of his salt is high, though salt is a necessity. But supposing there was something in this notion of making everybody feel the cost of administration (and there is nothing), it would only apply to a self-governing people who may rightly be taught the financial consequences of political acts . . . "

Then he goes on to say:

"The salt tax is exaction and oppression; and if the people understood it, it would only breed discontent. It is a survival of the general exploitation of India's poverty by a profit-making Company . . . "

THE HONOURABLE SIR BASIL BLACKETT: The Honourable Member will not perhaps forget that the present Prime Minister is a member of the Cabinet which has definitely approved of the present proposals of the Government.

THE HONOURABLE MR. LALUBHAI SAMALDAS: I am told that the present Prime Minister is a member of the Cabinet. I know it; but from the way in which the Honourable the Finance Member has made his recommendation, it is clear that the Cabinet in expressing their approval of the Government of India's proposals as a whole, have left the final decision to the Assembly. The House will see that the members of the Cabinet are thus prepared to place this matter in our hands to decide. It is for us to decide whether we should stand by the opinion of the Premier who, when he wrote his views, was an impartial observer of events in India and with the opinion of the Secretary of State or whether we should go by the opinion of the present Members of the Viceregal Council here.

Sir, the Honourable the Finance Member has said that provincial particularism should be avoided, and I entirely agree with him, and if I had been convinced that the reduction of the provincial grants would compensate if not to the full extent, but even to a large extent, the class of people who have to pay the extra salt tax, I would have voted for the reduction of grants. I would do so, because I belong to the country and the country belongs to me and to mine. If I could make myself honestly believe that his proposal would mean better medical, a better sanitation and better educational facilities, if I could convince myself that it would mean full compensation for the loss that the poor man suffers by the increased salt duty, I would surely have voted for it. I hope he will take it from me that I am as sincere in my belief as he is in his and, if we decide to differ, then we must do so.

12 NOON.

This brings me to another question. We have a constant wrangle as regards the taxable capacity of the people. The Government Benches say " Oh the poor people will not mind this extra taxation". We on this side say, " it *will* be felt ". May I, Sir, suggest to the Honourable the Finance Member to widen the scope of reference of his Taxation Committee so that this question may also form one part of the terms of reference. My friend, the Honourable Mr. Sethna, had moved for a Committee for a similar purpose. He withdrew that Resolution thinking that this Taxation Committee might give us all the information. I think, Sir, the terms of reference are not wide enough. Will he be good enough to extend the scope of the terms of reference so that once for all this constant dispute between the two parties, between the Government Benches and the non-official Benches, might cease for ever; at least let us hope so.

Sir, before I take up the detailed items of the Budget, I want to make two specific suggestions to the Finance Member for his careful and I hope favourable consideration. One is regarding the use to be made of the money that he gets through the Post Office Savings Bank and the Cash Certificates. I made a suggestion about it last year and I want to repeat it here in detail this morning. The problem of agricultural indebtedness of the country is a very difficult one to solve. We in the provinces are trying our best to solve it through the co-operative societies. The Provincial Governments —in my case I can say with certainty—are prepared to help us to a certain extent by putting some money at the disposal of the Provincial Co-operative Board. I want the Finance Member to consider carefully whether the time has not arrived when either a Land-mortgage Bank could be started with the help of Government and, if not, whether Government should, through the Imperial Bank, which is growing, arrange to give the Provincial Co-operative Banks long term loans—advances for annual use, so that we in our turn might advance the money, through the co-operative societies, to the agriculturists to relieve their indebtedness. In my province we are tackling this problem. I know both Agriculture and Co-operative Societies are provincial and transferred subjects. But this problem is so big that, unless the Government of India came to their assistance the co-operative movement by itself or even with the assistance of the Provincial Governments cannot tackle the problem to any appreciable extent.

The second matter which I want the Finance Member to consider carefully is about the question of Industrial Banks. I hope the House remembers that during the last year my friend, Mr. Kale, asked for a Committee to be appointed to consider the question of Industrial Banks. That Resolution was carried in this House. No action was taken thereon by Government. Last July Session, I asked a question on the subject and my friend the Commerce Secretary said that they had carefully examined the question and came to the conclusion that it was not necessary to do so, because the Provincial Governments were taking certain action in that direction. Owing to the hearty co-operation of all departments with the Finance Department, times have now changed as regards the finances of this country. They are now in a sound position. I hope the Finance Member will see his way to carefully examine the question of either starting an Industrial Bank or asking the Imperial Bank to help industries to carry on their work. I know, Sir, that many industries that we started during the war are now in a very bad way only owing to the difficulties of finding working capital. If the Finance Member can use his influence with the Imperial Bank to help these industries, that will in a way temporarily solve the problem.

[Mr. Lalubhai Samaldas.]

Sir, coming now to the details of the Budget, I take up the military department first, and I am very glad that His Excellency the Commander-in-Chief is now here. I want to make a few suggestions. The day before yesterday His Excellency said in the other place that, so long as he was responsible for the defence of the country, so long as he was our Commander-in-Chief, he could not see his way to reduce the fighting units by a single man. I hope I have understood His Excellency correctly. I entirely agree that this problem, the problem of the number of the fighting units, must be entirely in the hands of His Excellency the Commander-in-Chief. He must have the final word on that matter. And we recognise from his speech that till conditions improve and till things have changed, we cannot, for the present at least, expect any reduction in the fighting units. His Excellency was good enough to say that he was prepared to explore other avenues of retrenchment. He said he was prepared to have the assistance by way of suggestions of other people. I beg to suggest, Sir, that there are certain items, not of fighting units but others, which could be reduced to a certain extent. I will take up only one item, merely as an instance. I am talking as a layman and, if I am wrong, I hope His Excellency will correct me. I find from the Budget that transportation charges altogether come to about 3 crores of rupees divided between various heads and sub-heads. Transportation charges could, I believe, if carefully handled, be reduced; even if the reduction is to the extent of 10 or 20 per cent, it means some relief. 20 per cent. means 60 lakhs. Will His Excellency kindly consider this matter and, if he thinks it necessary, get expert advice of business men who are familiar with the subject of motor transport? Sir, I will refer to one more subject only as regards the Military Department. His Excellency said, and I entirely agree with him, Sir, that the Indianisation of the Services can only be through one door, that is, only through Education. I entirely agree. I want him now to take up the question of educating our youths, not only by tens but by many more, and not at Dehra Dun only. What I want him to do, Sir, is this,—let him fix a period during which he wants to Indianize the officers of the Indian Army. He said in the other place that a young man takes about 22 years to be capable of being put in charge of a regiment or a battalion. We say all right, take that figure—take 20 years. Let him draw up a scheme for educating a sufficient number of men to Indianize the Army in that period. In drawing up the scheme, let him if necessary seek the assistance and advice of the old officers of the Army, men like Colonel Sir Umar Hayat Khan or Captain Ajab Khan, and of the educational officers of the Government. Let him definitely decide to spend more money on education, and I am quite sure that the Assembly will grant that money—and then come before the Assembly and the Council with a proposition that, within so many years, by sending so many men to a number of Dehra Duns and through Dehra Duns to Sandhurst, we will Indianise the officers of the Indian portion of the Army. I appeal to His Excellency to make an earnest effort to solve this problem through education.

THE HONOURABLE THE PRESIDENT: The Honourable Member must remember that there are a great many other Members who are anxious to speak

THE HONOURABLE MR. LALUBHAI SAMALDAS: If that is so, I will not be long. I wanted to refer to the windfall. I merely make one sug-

gestion. Out of the windfall 2 crores have been set apart for paying back the customs duty to the Railways if we lose the appeal. I ask whether through Railways the money will not come back to the Finance Department. As a matter of fact, you will get back the greater portion of it through the Railways. If that is so, that windfall should be utilised—I have come to this decision after I have studied the question on my Committee—to have a Government shipbuilding yard to build ships. I make this suggestion for the careful consideration of the Finance Department.

I will refer only to one important matter, on which an explanation is necessary and which I think the House will be glad to have. The Honourable the Finance Member in paragraph 41 of his speech said that there will be a deficit of Rs. 3 crores on account of the depreciation in the value of stock and stores held by the Railways, and he wants to write off this amount in ten years. I do not approve of this system. No joint-stock company's profit and loss account can be prepared with the stocks put at any other figure than the market price. They ought to be put in the books at the market figure even if this means reducing the profits of Railways, and I wish the Honourable the Finance Member had taken courage and reduced the balance, if necessary, by Rs. 3 crores.

THE HONOURABLE SIR BASIL BLACKETT: And put on increased taxation?

THE HONOURABLE MR. LALUBHAI SAMALDAS: By all means, we will accept it. When we made suggestions similar to the action now proposed by the Honourable the Finance Member, we were told last year that these would be faked up accounts. I ask him, Sir, " will this not be faked up accounts?" I put that question to the Honourable the Finance Member. The point that I now want to put before the House is this. The Railway memorandum in paragraph 32 says that Rs. 30 lakhs are required for five years only. The Honourable the Finance Member in his speech says that it is required for ten years. Which figure are we to take?

THE HONOURABLE NAWAB SIR AMIRUDDIN AHMAD KHAN BAHADUR (Punjab: Nominated Non-official): Sir, I must admit that I was greatly impressed by the able manner in which the Budget has been presented to the House. The Honourable Finance Member deserves our congratulation for the very lucid Financial Statement that he has put before us. His able and instructive review affords much matter for study and thought. It is a matter of satisfaction that he does not only present a balanced Budget but is in the happy position of presenting a Budget which, on the basis of the present taxation, is expected to give a handsome surplus. My first impression on reading the Budget was that it presented little material for criticism, as there was no proposal for fresh taxation, neither was there any further enhancement of present taxes. When there is no such suggestion we should have trust in those who have prepared the Budget and must leave it in their experienced hands. Constructive suggestions are very good in themselves and should be welcomed, but I notice the general tendency is to criticize the Government and official action, whether there is any occasion for that or not.

I will not, Sir, elaborate every point in the Budget nor will I go into the details, I will make only a few general remarks. On the civil side the proposal for the reduction in the salt tax is very fair. The House is well aware that there was a great controversy about this tax last year. It is out of regard for the popular opinion that the salt tax has been reduced to

[Sir Amiruddin Ahmad.]

Rs. 2 a maund, and so we should welcome it. I myself cannot support its reduction any further as I am unconvinced that it is an oppressive tax. Our Local Governments are clamouring for relief. Their own departments are in need of money. This is an opportunity to afford them relief and provide them with whatever help we can. We hope that in the near future we will be able to reduce the contributions of other provinces also. There are signs of the growing prosperity of the country. The general conditions, I am thankful to say, have improved and we have had rains and good harvest at the suitable time. There has been an appreciable improvement in the trade of the country as is shown by the excess of the exports over the imports. The Honourable Members, representing the provinces which do not get a share this time, need not be impatient. Their turn will also come. I am afraid the question of sentiment weighs a great deal with us, but I sincerely hope the House will be guided by business-like instincts and will not be led away by sentiments.

On the military side, Sir, we find the expenditure is reduced, and those who heavily accuse the Government, in and out of season, of wasting money will find some relief when they see that it has been brought down to 60·25 crores and that efforts are still in progress to reduce it further. I thank His Excellency the Commander-in-Chief for the reductions that he has effected in military expenditure. But personally I am not in favour of cutting down the Army expenditure. Any reduction not justified by actual circumstances is false economy. Those who are given to thoughtless and obstinate agitation for the reduction of expenditure on this item and believe that the country before the advent of the British rule was a garden of roses betray a hopeless want of adequate knowledge of the past. They do not compare for a moment the condition of affairs in the country in old times when it was full of internal commotion and every moment in danger of external aggression. There was no peace and tranquillity and warfare among the people was general. At such a time a civilised nation was destined to rule over the country, to vindicate its honour, to shelter and gradually advance its people, to do away with the darkness of ignorance and to diffuse the light of learning. It will be a great act of ungratefulness not to admit that India of to-day is made by the strenuous efforts of the Englishmen. We have advanced by coming in contact with them. The present awakening in India, the progressive ideas of its people, their sense of responsibility and honour all are due to their teaching. We cannot forget what they have done to educate us. Where will be the peace and prosperity of the country if it is not immune from internal commotion and external aggression. It requires the maintenance of a well organised and disciplined army. If we want our country to progress steadily, and this is the cherished desire of all of us, we should not think of any reduction on this item. Any ill-advised measures of retrenchment will interfere with the essential structure and organisation of the Army. We must leave this in the hands of experts who, after years of experience and service, are qualified to express an opinion on the subject. If the Government with the advice of these experts decide to maintain an Army, which in their judgment is not at all out of proportion to the requirements of the country, then I venture to think the opposition from non-expert agitators, who are not qualified to form an opinion on the subject of the maintenance or otherwise of the Army, should not be considered seriously. Moreover, India is a part of the British Empire, and as such it should maintain an Army to take its part in the defence not only of India but of the Empire.

In reducing the military expenditure any further we will be dis-serving the country under the masque of doing service to it.

I will not detain the House any more by going into details but will conclude my speech with the remarks that I welcome and support the Budget.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, the Financial Statement is looked forward to every year, and I take it in every country, with great anxiety. If the Budget shows a surplus and happily there is some reduction in taxation perhaps it is called a budget of prosperity. If, on the other hand, there is a deficit, and worse still if any additional taxation is imposed, it is characterised as a budget of tears. India, unfortunately, did suffer for some years with deficit Budgets The Honourable Sir Basil Blackett came out to this country with a reputation already established in the United Kingdom. His endeavour this time twelve months back, when he presented his first Budget, was that it should be a Budget which should balance itself. He was greatly helped in that task by the recommendations of the Inchcape Committee, but notwithstanding that, there was a deficit and that deficit was proposed to be met by the doubling of a particular impost which caused such a great stir in the country and perhaps for the time being contributed to the unpopularity of the Honourable the Finance Member. All the same we must recognise that the Honourable the Finance Member is doing his utmost to straighten out the financial tangle which at one time threatened to choke the solvency and even the prosperity of the country. We must also realise that Sir Basil has to face a situation which is not of his own creation. We hope therefore that now and afterwards his Budgets will leave a sufficient surplus to enable it to be devoted to nation-building purposes which at the moment, he will admit, are starved and absolutely neglected for want of sufficient funds.

According to Sir Basil Blackett, there is a surplus of 336 lakhs but, if we subtract this 336 lakhs from the windfall of 473 lakhs, there is really a deficit of 137 lakhs . . . .

THE HONOURABLE SIR BASIL BLACKETT: The windfall comes in a different year.

THE HONOURABLE MR. PHIROZE C. SETHNA: I thank you for the correction. I am also thankful to Sir Basil Blackett for, in the year in which, according to him, there is a surplus, he proposes to devote a portion of it to the reduction of the salt tax from Rs. 2-8-0 as at present to Rs 2 in 1924-25. I congratulate him and with him the Government of India on the good sense which has prevailed with them in this decision. The question, however, is if we can be as optimistic as the Honourable the Finance Member evidently is. The Honourable the Finance Member has evidently prepared his figures of revenue for the new year on the same lines as in the past years, and I may be pardoned for saying that he has not profited by past experience. Taking the total of the revenue side in 1921-22 they budgeted for a total revenue of 129¾ crores, the revised estimates were for 109 crores and the actuals 115¼ crores, which meant a deficit of 14½ crores in that year. In the year following the total revenue budgeted for was 139½ crores and the revised figures were for 120¾ or a drop of 18¾ crores. In the current year the figure was 135 crores revenue and in the Statement which the Honourable the Finance Member presented

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a week ago he revised this figure at 129½ crores which is a drop of 5½ crores. If there is a drop in the total revenue it is made up of smaller drops under different headings from the revenue side such as Customs, Income-tax and Railways particularly. Take Customs alone. In 1921-22 the budgeted amount was 37 crores 73 lakhs and the actuals worked out at only 34 crores 40 lakhs. In the following year against the budgeted figures of 45 crores 41 lakhs the revised amounts were only 42 crores 30 lakhs. Again last year Sir Basil Blackett gave as his estimate of customs revenue an income of 45 crores 2 lakhs which he has had now to revise to 40 crores 41 lakhs. I quote these figures in order to show that there is need for greater caution than perhaps the Finance Member has shown in the preparation of his Budget. I would certainly have waited till next year for the declaration of any surplus. I say so for the good reason that a budget at the best is mere guess work, such guess work being based upon past experience and on a conservative estimate of expectations in the new year. I believe the Finance Member was of opinion that his estimate twelve months back of customs revenue was a conservative one, and yet he has had to admit that he now expects a drop of more than 10 per cent. I see the Honourable the Finance Member is shaking his head. Why then take the customs revenue for next year at 45 crores? There is not that recovery in trade to justify this higher figure. On the other hand, the Finance Member himself is not so sure from the passing remark he made that the 1924 monsoon will be as favourable as its two or three predecessors. I agree with the Finance Member in this view and I believe he bases that view on the theory advanced by Professor Stanley Jevons in his latest work in which he says that there is a regular cycle whereunder we get in India a severe famine once in ten or twelve years, and in between a mild one. If we look to the history of famines from the beginning of the present century, we had scarcity in 1900, in 1906 there was a severe famine and in 1912 we had another but not as intense. In 1918 there was not only a heavy famine but also the influenza epidemic. There is therefore reason to believe that we may not have a bumper year in 1924-25. Personally, I shall not be surprised if next year the Finance Member will again show a drop in the revised customs revenue and attribute it to a season of scarcity. The safer course would have been to take the customs revenue for 1924-25 at the revised figures of the present year, which are nearer 40 crores. Of the difference of 5 crores the Finance Member estimates an additional 2 crores or more from the higher duty on sugar and from the duty on Government stores previously exempted, but there is still a margin to account for. He has not explained how he expects to meet that further margin. I shall wait for his explanation.

THE HONOURABLE SIR BASIL BLACKETT: The figures have been circulated.

THE HONOURABLE MR. PHIROZE C. SETHNA: I am sorry I have not seen them. I myself think it may be due to the possibility of a higher customs duty on imported iron and steel which he may impose. As we know Government are committed to the recommendations of the Fiscal Commission and in accordance therewith they did appoint a Tariff Board and I understand that the report of the Tariff Board is before Government, but Government have not presented us at the time of the budget, as they might well have done, with the recommendations of the Tariff Board or

what their own views are on this subject. We know that the country at large wants that this basic industry ought to be supported as best possible and, consequently, I need not assure the Honourable the Finance Member that, if any recommendations come from him to that effect, they will be heartily supported.

I will, Sir, digress here for a moment and refer briefly to certain incidents which in my opinion contribute to the decrease in the customs revenue. It so happened that when last year the customs duty on silks, sugar, matches, etc., was enhanced, the consuming capacity in these particular goods in some of the Indian States which have an outlet to the sea appeared to have been very suddenly and very considerably increased. Large quantities of these goods arrived at British Indian ports from which they have been transhipped to these Indian States and from there brought to British India. The imports in these Indian States reached very large figures, far beyond the consuming capacity of those places, and therefore the only inference is that it paid importers to tranship goods at Bombay or Calcutta to Indian States and bring them subsequently to British India. It may be asked how could this be a paying proposition? My answer is that, although this sounds like a paradox, yet it is perfectly true. In the Indian State the same rate of duty obtains as in British India. For example, take the case of silks. If silks were sent to an Indian State 30 per cent. duty would be charged the same as in British India,but the results perhaps are very different. Suppose that 30 per cent. was charged on a silk piece. The appraiser in an Indian State might appraise that piece at only Rs. 100, while the better trained, better paid and perhaps more careful appraiser at Bombay or Calcutta would value it not at Rs. 100 but at its proper worth which might be nearer Rs. 300. In this way a very considerable revenue has been lost to the Government of India under the head of customs, and it would be interesting to know from the Honourable the Finance Member what he assumes to be the loss under this head. Sir, when our taxation increases, people do resort to such ingenious tricks. It may be a far-fetched simile, but it would not be wrong to say that it is the avidity of the dupe which induces the trickery of the sharper.

Then, again, take the case of the imports of matches. Large quantities of matches are now going to some of these Indian States which can boast of a harbour. The Honourable the Finance Member raised the duty on matches to Rs. 150 per case of 100 gross boxes last year. (*The Honourable Mr. Lalubhai Samaldas*: "Under the treaty rights they have a right to take matches there".) I do not deny that for a moment. Then, Sir, what did the merchants in Bombay and elsewhere do? They imported matches not as matches but in parts, that is to say, they imported separately the boxes, as also the sticks and likewise the chemical preparation to be put on one end of the stick, with the result that they paid on these separate articles just the *ad valorem* duty. They established factories here and in these factories assembled together the different parts, and the cost of this *ad valorem* duty *plus* the cost of assembling only came to Rs. 50 as against the Rs. 150 rate of duty which Government charged per case of 100 gross boxes. These people knew very well that that sort of practice could not last very long, and Government have got the better of them by now increasing the duty on match boxes, sticks and the necessary chemical preparation, with the result that they will in 1924-25 be able to realize Rs. 150 per case of 100 gross boxes whether they arrive as ready made

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matches or come in parts. I wonder if Government are aware that some merchants in this line were quite prepared for such a move on the part of the authorities and they have already resorted to fresh tactics. I know that telegrams have already been despatched to send out to India not ready made wooden sticks separately as before but the wood itself from which the sticks could be made and on which again only an *ad valorem* duty would be charged. They have also indented for the special machinery to convert the wood into sticks in India, and thereby they will save again a considerable amount of money unless in the Finance Bill the Honourable the Finance Member counteracts them by a fresh move. (*The Honourable Mr. Lalubhai Samaldas*: "Where is the harm? It is a new industry".) Yes, and an industry which will deprive Government of their revenue, but, as I say, it is the avidity of the dupe which induces the trickery of the sharper. I have quoted these instances, to convince the Honourable the Finance Member that his estimate of 45 crores of rupees is not likely to turn out right, and perhaps he will have to come to us this time next year and say that the estimate of 45 crores under customs revenue has not been realised, and that it is nearer 10 than 45 crores.

Sir, the same remarks as apply to customs also apply to the Post Office, Railways and many other heads. I know that I shall not be allowed to speak at any great length and must cut short my remarks. I can only say with regard to the loss on the post office and railway fares that the law of diminishing returns operates there just as well as it does to some extent in the matter of the salt tax. As regards the post office charges, I may be allowed to say that the golden key to the industrial future of this country is cheap postage; and I will also say that doubling postage halves, while cheapening postage doubles, business transactions. And that is a point which ought not to be lost sight of whenever there is a surplus.

I shall now only refer to some of the most essential points, and make the most of the time at my disposal. One point that strikes me forcibly is the rate of exchange which the Honourable the Finance Member has adopted in the new Budget, which is taken at the rate of 1*s.* 4$\frac{3}{4}$*d.* He says he has done so because the average of the last year has worked out at 1*s.* 4$\frac{1}{2}$*d.* Now the Honourable the Finance Member has not told us how the average has worked out at that figure: it is because the bulk of the remittances were crowded during the busiest season of the year, when exchange ruled high. If money was remitted at a time when it was most needed here, it is true that the Finance Member got the benefit of exchange, but against that must be offset a very great loss to this country itself. My Honourable friend the Finance Member very wisely provided for an emergency currency by the amendment of the Paper Currency Act, but even that as he must admit has not helped us much. I would sooner therefore make remittances as required from week to week and day to day, and if that had been done this year the average rate would not have been 1*s.* 4$\frac{1}{2}$*d.* but somewhere about 1*s.* 4*d.* It is not therefore right to assume the rate of 1*s.* 4$\frac{3}{4}$*d.* because, while we may gain thereby in exchange by making remittances only in three or four months in the year, we lose considerably by not having sufficient money available in India itself during our busiest season.

Leaving other items out of consideration I would say that the over-estimate in the customs revenue and the estimated savings in exchange between

them represent much more than the surplus amount of 336 lakhs. Then, again, there is another item of 80 lakhs of rupees to which I would like to draw attention. The Honourable the Finance Member thinks the time has arrived for no longer availing of the recommendation of the committee which was appointed at the instance of my friend Sir Maneckji Dadabhoy by a Resolution of this House to set aside a sufficient sum every year as a sinking fund against the depreciated price of the 5 per cent. loan. Sir Basil Blackett is of opinion that this is no longer necessary as Government securities have advanced very considerably. I do admit this is so; I do admit that Government were able to float their loans very successfully this year. I go further and say that the fresh loan of 20 crores of rupees in 1924-25 will all be taken up in India and taken up at a lower rate of interest. But the reason why Government securities are to-day in great favour is because the public, owing to the great depression in trade, are fighting shy of industrial securities. When a revival in trade follows, Government securities may not fetch their present prices nor may new loans be taken up so readily, and the sinking fund ought therefore to be strengthened still further.

It might be argued, Sir, that because I hold that the expected surplus of 336 lakhs is not likely to be realized, that I must be content with the existing rate of taxation in 1924-25. (*The Honourable Sir Basil Blackett*: Hear, hear.) My answer to that is, and I now come to His Excellency the Commander-in-Chief, that it is because we are not yet in sight of that saving in military expenditure which ought to be effected. The ultimate figures decided upon by the Inchcape Committee is 50 crores, and it is a far cry from 60·25 crores of military expenditure in 1924-25 to 50 crores, a difference of 10 crores of rupees. I certainly think that there is much yet to be done in that direction, no matter what His Excellency the Commander-in-Chief has said or might say on the subject. Our differences with Turkey are now happily settled. (Laughter). That is my idea. The Soviet Government has been recognized and the normal pre-war relations between England and Russia, there seems to be no doubt, will soon be restored. Will not Government reconsider the question in the light of the general improvement in the international situation due to these events? As a result of the Washington Conference Japan reduced its military expenditure in 1922-23 . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member has already been speaking for 20 minutes.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, I submit it is hardly fair to Members who are in the first place only given three or four days in which to study the Budget and then allowed only a single day in which to express their views and they have indeed much to say. I submit, Sir, that the Honourable Finance Member might give us another day and that we might be allowed to speak longer.

THE HONOURABLE THE PRESIDENT: The Honourable Member is aware that I did not fix the time allowed for discussion. The Honourable Member is also aware that the day contains only a certain number of hours and he is aware that there is a large number of Members in this House who desire to put their views before it. I hope the Honourable Member will not take up more than a fair share of their time. I merely suggest to him that he should bring his remarks to a close as soon as possible. If the Honourable Member can obtain more time another year, it will give me

[The President.]

great pleasure to hear his speech, but he knows very well that the time for the Budget debate is fixed by His Excellency the Governor General.

THE HONOURABLE MR. PHIROZE C. SETHNA: I will do the best I can. I will accept your ruling, but I wanted to say something on the revival of the opium trade, on currency and other matters which I must leave out.

I would like to say in regard to the salt tax that Indian opinion has always been in favour of the salt tax being as low as possible or none at all, and I know that Indian opinion at the present moment also is that it should be reduced not to Rs. 2 but Rs. 1-4 as it was before 1923-24. If on account of the bait which is thrown out by the Honourable Finance Member certain Members representing the provinces concerned choose to avail themselves of that bait, I would certainly appeal to them in the name of the poorer classes in the whole country that they might preferably have a reduction in the postal charges in the shape of a quarter-anna post-card. I know that there will be a big gap between the quarter-anna post-card and the one-anna letter stamp, but an intervening rate could be introduced, namely, we might have, for a letter weighing half a tola a half anna stamp the same as previously, and one-anna postage for letters weighing more than half but less than two-and-a-half tolas as at present; and likewise reductions in book post. That would be giving relief to all alike.

I thank Government for their recommendation of a reduction in the salt tax to Rs. 2, but I cannot help observing that such a recommendation must have been made by my Honourable friend, the Finance Member, before he read Lord Olivier's speech of the 26th February 1924. Of course yesterday at the other place the Honourable the Finance Member said that the view had been changed.

THE HONOURABLE SIR BASIL BLACKETT: It was never expressed, Sir. I explained in another place yesterday that the idea that the Secretary of State had expressed a view against the salt tax was entirely erroneous.

THE HONOURABLE MR. PHIROZE C. SETHNA: The Honourable Member says it is entirely erroneous. Lord Olivier's speech is in the King's English and any one reading it could not arrive at any other interpretation. The world at large has so arrived at the interpretation we put on it, and yet the Assembly was told yesterday what we have been just told to-day, and a telegram is published in to-day's 'Pioneer' saying that the Secretary of State "was not prejudiced against the salt tax provided it was not onerous," and he concludes by saying: "It is indeed a matter for the Government of India and the Assembly to decide between them." I wish only, Sir, to say that we are not unaccustomed to such quick change of interpretations. I will remind this Honourable House of what happened in August 1922. The then Prime Minister, Mr. Lloyd George, made a certain statement in the speech which is now known as the "steel frame speech" and which speech was regarded by the world at large as a direct negation of the famous declaration of 20th August 1917. There was great indignation in this country. A deputation which waited on H. E. the Viceroy a few days later on 19th August 1922 was informed that Mr. Lloyd George had asked the Viceroy to convey his "assurance" that in what he said there was nothing which would conflict with, or indicate any departure from, what was laid down in the declaration of 20th August 1917

This was a clear afterthought as I said in a speech I made at the time and fortunately for us Lord Olivier himself has now quoted that very speech as one of the causes which contributes to the mistrust in India, thereby interpreting the speech as we have done it. Whatever the Honourable the Finance Member may say now, however Lord Olivier may now contradict himself, the reading of Lord Olivier's speech goes to confirm the impression without any doubt that there was in it a severe condemnation of what the Government of India did twelve months ago in the matter of doubling the salt tax. The Honourable the Finance Member was requested yesterday to produce the telegram of the Government of India to the Secretary of State. He refused to do so in the other House and it would be useless my repeating the request to him here to-day. But we can draw our own inferences.

In conclusion, Sir, whilst I am sorry it is not possible for me to bring up several other important points on the Budget unless you allow me more time, I will say this, that I join with the Government in the hope that there will be no longer any unbalanced budgets, no more need for taxing such a necessity of life as salt, but that the burden of taxation will gradually and sensibly be so lowered as to make available sums of money which could be devoted to nation-building purposes, and which in their turn will contribute to make India a stronger, a richer, a more prosperous and a more progressive nation on the earth.

THE HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI (Bengal: Nominated Non-official): Sir, I too associate myself in congratulating the Honourable the Finance Member on his presenting to us a surplus Budget and assuring us that the era of unbalanced Budgets has come to an end. But while congratulating him, I cannot but regret to refer to his want of sympathy towards my province. Bengal has not had fair play under the financial arrangements of the Reforms, and great injustice was done to her by the Meston Committee, in that she got no share of the enormous amounts she paid by way of income-tax and customs. Moreover, the standard of expenditure that was accepted was a fictitious one, being based on the figures of a year in which Bengal had rigorously reduced her expenditure in the exigencies of the great War. The Joint Parliamentary Committee was so convinced of Bengal's just claims that they recommended her case for favourable consideration to the Government of India. As a result of this, though the Government of India were faced with a huge deficit, they remitted the contribution of 63 lakhs for three years. Thankful as we are for this temporary small mercy, we cannot but press our just claims. I for one entertained the hope that, as the finances of the Central Government improved Bengal might get her legitimate dues by way of a greater relief in the shape of a share in her export duty on jute, and not merely by way of a remission of the Provincial contribution. Whatever relief is given to Bengal, it must be of a permanent nature. But the Honourable Finance Member has been so unkind in his speech as to threaten us with the levying of this contribution on Bengal from next year without saying anything as to what we might expect in the way of relief. Sir, I trust the Honourable Sir Basil Blackett is aware that ever since the Reforms Scheme came into force, Bengal has been imposing fresh taxation merely to meet the bare necessities of her administration, although she had not to pay anything by way of a contribution and had effected drastic economies. For the last three years Bengal has severely cut down all her departments of public utility; and unless the Government of India come to her rescue

[Maharaja Shoshi Kanta Acharyya Chaudhuri.]

at this crisis, I have great fear that the administration of Bengal will completely break down. Finally, Sir, with regard to the salt tax, I do not like to say anything much except that we should all like it to be reduced to Rs. 1-4 and not to Rs. 2.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, if I rise to take part in this debate, I do so with the full consciousness that we can only speak, we can only criticize. Previous Finance Ministers in this country have been embarrassed by Budget deficits, but the present Finance Minister seems to be embarrassed with the surplus which he has because he does not know exactly how to distribute the surplus of Rs. 3 crores and 36 lakhs. I fear in this matter he is very unwilling to take a responsibility which he ought to have taken upon himself, and he has transferred the embarrassment which he has felt himself to the Legislature. (*The Honourable Sir Basil Blackett*: "I have made a strong recommendation.") Sir, we have a surplus of 3 crores and 36 lakhs. The proposal of the Honourable the Finance Member is to divide it between two—to reduce the salt tax by 8 annas per maund and also to give a reduction to the Provinces. I say, Sir, let us have both, and I say you can do it if you have a mind to do it. The salt tax ought to be reduced to Rs. 1-4-0 per maund. I very much regret that the Finance Minister still holds to the opinion, though he has been more than one year in the country, that the salt tax does not tell upon the poor, and he went so far as to say that it was a luxury to keep it at Re. 1-4-0. The Honourable Finance Minister is of course embarrassed by a number of considerations. But if he has seriously studied the past history of the question, he will not say so: I will only tell him that, as early as 1888, the then Secretary of State, Lord Cross, said:

"I am strongly of opinion that it should be looked upon as temporary, and that no efforts should be spared to reduce the general duty as speedily as possible to the former rate."

He went on to add—and it was an instruction to the Government of India,—and I hope the Government of India at the present day will find it convenient to remember instructions given to their predecessors:

"The policy enunciated by the Government of India in 1877 was to give to the people throughout India the means of obtaining an unlimited supply of salt at a very cheap rate; it being held that the interests of the people and of the public revenue were identical and *that the proper system was to levy a low duty on an unrestricted consumption.*"

And he went on to add:

"While the duty has been greatly reduced, the consumption through this and other causes has largely increased."

Sir, only last year in this Council our venerable friend Sir Dinshaw Wacha pointed out how the salt tax tells upon the people and in how many ways it affects their interests. If the Honourable the Finance Minister is not satisfied with the opinion of an eminent Indian, I would tell him that only the other day, presiding at a meeting of the Society of Arts Sir Richard Dane, who was formerly Inspector General of Excise and Salt in this country, condemned very strongly the arrangements for the manufacture of salt as a State monopoly, and will you be surprised to hear that Lord Meston, who presided at that meeting, openly declared:

"What was originally a fiscal reserve has now become a political reserve."

I will add to that opinion that of a former Member of the Viceroy's Executive Council, who knew something about the industrial, economic and agricultural condition of this country, Sir Thomas Holland, questioned the wisdom of—

"the rigid restrictions on the local manufacture of earth-salt, which pressed very hard on the poor, cost more than its worth in revenue and caused risks of agricultural deterioration."

May I repeat the words that the restrictions "cost more than its worth in revenue and caused risks of agricultural deterioration." Will my Honourable friend, Sir Basil Blackett brush aside this opinion also? If he does so, I will remind him of what Lord Olivier stated in the House of Lords only the other day:

"I think most of us have it ingrained in our bones to regard the salt tax as a peculiarly iniquitous and horrible form of taxation."

I know it has been said that the Right Honourable the Secretary of State has modified that opinion. May I observe that this is one more illustration of the longstanding grievance of the people of this country that the bureaucracy is so powerful, that even the Secretary of State for India can be compelled not to speak the truth? (Laughter). Sir, I say that the country has long made out a case against the salt tax, and I say it emphatically that the time has come to reduce the salt tax to Rs. 1-4-0 per maund.

I come, Sir, from the province of Madras, and naturally I am reminded of the tale of woe which my province has had in regard to the hardship of the Provincial contribution. The Governor of my province, His Excellency Lord Willingdon only the other day told us that it was the most beautiful of all provinces, that it has a sea-board which other provinces do not have, and yet its condition is that of a neglected and ill-treated part of the country. I read a telegraphic summary of the speech of the Finance Minister there. He says "with great difficulty I have been able to make out a hand-to-mouth budget." The Honourable the Finance Member here has very rightly pointed out that it is his object to avoid inter-provincial warfare. But what has happened? I find in another place one official Member from Bombay and another non-official, pleading the cause of Bombay. To-day here my Honourable friend the Maharaja of Mymensingh from Bengal pleads for his province. But I want everyone of these gentlemen to remember that the incidence of taxation per head in Madras is 27, in Bombay 18 and in Bengal 16. Bombay is the province through which a very great part of India's exports and imports flow, and it therefore derives many advantages. My province is far away from Delhi. Is that the reason why you are treating it so badly, that you ask us to choose between the reduction of salt tax and reduction in Provincial contributions? The Government of India have sunk a good deal of their money in Delhi, and is it your object that Bombay should get the balance so that it may sink it in its Back Bay? I take it, Sir, that that is not your object. In my province not only the transferred subjects but also the reserved subjects suffer for want of money. My Ministers have no money. I belong to the University of Madras; I have the honour of serving on it for over 15 years. The other day we had to pass a new University Act. The cry there is, that we have no money. It is not education alone that suffers. Sanitation, industry, agriculture, all alike suffer. Are you going to leave us in this wretched condition? No, you cannot, you ought not to do so. You should reduce the salt-tax to Rs. 1-4-0, but you should also

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provide out of retrenchments which you can effect if you have the will to do so. I will quote from a leading newspaper in my province which has criticised the Budget. This is what it says:

"Sir Basil Blackett describes, as 'a running sore', as embittering the relations between the Provincial Governments and the Government of India and between the different Provincial Governments themselves. Yet his only contribution to the cure of that sore and the removal of the cause of embitterment is a proposal which, as he must have known, is foredoomed to failure. The salt tax increase will go, and, so far as can be seen, the only hope of the Contribution burdened Provinces is a reduction in the disproportionate military expenditure. Sir Basil Blackett says that the Government of India hope for a progressive reduction in their military expenditure, he speaks of retrenchments already effected, and seeks to convince the Assembly that substantial further retrenchment is at present impossible. But is he certain that the Labour Government will agree with him should the Assembly, as we think it will, demand further reductions in military expenditure, that it is impossible to reduce the military expenditure of India below 54 per cent. of her total revenues? This is the drag on progress in India the obstacle to the reduction of Provincial Contributions, and the real source of despair to those looking for the amelioration of conditions of life in this country."

I may inform the Honourable the Finance Member that this quotation is not from an extremist newspaper or a Swarajist paper but it is from the *Madras Mail*, the leading Anglo-Indian daily of my Province.

THE HONOURABLE SIR BASIL BLACKETT: I have read that article.

THE HONOURABLE MR. G. A. NATESAN: I say you should retrench your military expenditure. From my college days I have been brought up to regard the military expenditure in India as high. Most of us have it ingrained in our bones that it is an excessive, a crushing and an unjust burden on the tax-payer. More than twenty-five years ago as a student I heard at one of the sessions of the Indian National Congress the venerable old gentleman who is now here, I mean the Honourable Sir Dinshaw Wacha, denouncing this heavy military expenditure. I have since read the writings and have also heard the speeches of eminent publicists, Mr. Dadabhoy Naoroji, and Mr. Gokhale on this question. I have also read the minutes of Sir William Wedderburn which are still to be found in the report on the Welby Commission. I have never since ceased to believe that the military expenditure is high. I must point out that as early as 1912 the late Mr. Gokhale warned you that you were increasing your expenditure and yet you paid no heed. While reading the proceedings of this Council for 1921, I noticed that an Honourable Member got up and asked for a Retrenchment Committee. The then Finance Minister said that there was absolutely no scope for retrenchment. But only 12 months after that, you had to eat your own words and you appointed a Retrenchment Committee. With the limitations that were imposed upon them, they have been able to point out a reduction of at least 19¾ crores. Can you tell us seriously that some more retrenchment could not have been effected if Lord Inchcape had been brought here earlier and with perhaps a better axe? Sir, with regard to this military expenditure I want to point out that Lord Meston, who knew the special financial condition of this country, said that it should normally be 45 crores. Even the Retrenchment Committee said that "it might be possible after a few years to reduce the military expenditure to a sum not exceeding 50 crores." I maintain and say it deliberately that the Army in India has always been kept in excess of her real needs. You are keeping it also in the interests of the Empire and Lord Roberts acknowledged this fact publicly many years ago. If you refer to the report of the Simla Army Commission you

will find the same thing stated. On several occasions you have used our Army outside India. During the great War a large proportion of our troops were engaged elsewhere. They fought in Flanders. They fought here, there and everywhere. They fought in Mesopotamia. Even when the bulk of our troops were engaged outside India, there were six or seven eruptions on the Frontier and you sent our troops there also. These are not reckless statements. I am taking these facts from the speech delivered by Mr. Chamberlain, who was then Secretary of State for India. I am not quoting his words on account of the limitation of time. My appeal therefore is, reduce your military expenditure. You have peace in the country. You have no bogey of Russian invasion. If you are anxious to reduce your military expenditure, Indianise the army. Reduce the number of British troops. Every British soldier costs five times more than the Indian sepoy. Reduce the number of British officers and train Indians to take their places.

I want His Excellency the Commander-in-Chief, the Honourable the Finance Member and every member of the Government of India who feels himself responsible to the Indian people to approach the War Office and get us a fair, a just and an equitable apportionment of charges between England and India.

This has been an old cry and yet it has not been satisfactorily solved. Sir, when I ask for the Indianisation of the Army, let me tell you most sincerely and honestly I ask it for not only on financial grounds, but on moral grounds. It is not with a view to power and pelf, not with a view of getting a job myself or for my children or my countrymen. It is a question which affects our self-respect; it is a question which goes to the very root of our national existence. The way in which your military policy is being pursued is, let me tell you, a cruel wrong. It is a great wrong to the people of this country that you should pursue a policy by which over three hundred millions of people are disarmed and cannot have the power of defending their hearths and homes; it is a cruel wrong that, when you have as many as 7,350 officers, only 72 are Indians. I heard the Commander-in-Chief say yesterday that he is Indianising the Army and he spoke of 25,000, most of whom were Indians, and he referred to coolies, motor drivers and others. Is this the way to treat a rising nation, a great people who have honourable traditions behind them and great aspirations to fulfil in the future? I ask the Commander-in-Chief if he was an Indian, if he would for a moment tolerate this state of affairs? I hope he does not feel offended at my suggestion because this is a sacred land, the land of Bhisma and of Arjuna, and once a land of great military prowess. I am sure the Honourable the Finance Minister would like to be reminded of the great Indian Financier Todar Mal, whose reputation has spread even to European countries.

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Sir, if you reduce the military expenditure, there are certain other things which are bound to follow. You will find you have to pay less for the short service system; you will find you have to pay less for our capitation charges; you will find you have to spend less for transport charges; you will have to spend less than Rs. 400 a month for petrol which I understand users of Ford cars in the Army Department are consuming. This demand for Indianising the services is not confined to the Military Department; it affects us in every other Department. I do not wish to suggest in the least that the Commander-in-Chief is against our aims and aspirations. I recognise that, and I am sure he recognises that he has inherited a vicious legacy . . . . . .

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: May I suggest to the Honourable Member that we recognise that he is making the most of his time, and that some of the statements he is making are, I am sure, very interesting but if he will go a little slower, we should be better able to follow and understand them.

THE HONOURABLE MR. G. A. NATESAN: Thanks, Sir, I will say it very slowly and very deliberately that it is high time the Indianisation of the Army was taken up seriously. It is high time the Indianisation of the Railway administration, which consume several crores of rupees, should also go on on a more rapid scale. I say, there is room for further reduction in civil administration. I think that if you have the will, you will find the way, and can transfer to capital account several items of civil and military expenditure which you now debit to revenue account. I find that on Delhi you have already sunk a lot of money, and it looks as if you will sink some more. I was amused when a gentleman in the other Assembly referred to the extravagance on the Delhi Works. One Member of the Government was looking at another; one friend suggested so and so is responsible, the other shook his head and said, " No, so and so is responsible ". Is this child so ugly, is it almost an illegitimate child that every Member of the Government of India should disclaim its parenthood? Is it not a very strong proof that there is something wrong with the amount that you have spent on new Delhi? I would ask for retrenchment, because I would remind our present Finance Minister, who has come with the best traditions of Finance Ministers in England, of what Gladstone said years ago in the House of Commons:

" Economy is itself a great source of revenue."

I have talked in this strain and I have talked loudly, perhaps rapidly. (Laughter), because I belong to a school of politics which believes that in the future of this country, our peaceful evolution and the obtaining of self-government is under the aegis of British rule.

I regret that the past warnings of all those who are well wishers of the British Empire in India have been neglected and even now there is a tendency not to listen to those who have a right to be heard.

I have quoted, Sir, the voice of the living. Will you permit me to make a quotation from the voice of the dead? The present situation in India is of an acute character. You are now face to face with a problem which you must successfully solve, and I think every one who neglects it and hands it over to his successor is doing a wrong to himself, to his successor and also to the Empire whose welfare I and all here have at heart. Years ago Mr. Gokhale said:

" The whole East is to-day throbbing with a new impulse, vibrating with a new passion—and it is not to be expected that India alone should continue unaffected by changes that are in the very air around us. We could not remain outside this influence even if we would. We would not so remain if we could. I trust that the Government will read aright the significance of the profound and far-reaching change which is taking place in the public opinion of the country. A volume of new feeling is gathering, which requires to be treated with care. New generations are rising up whose notions of the character and ideals of the British rule are derived only from their experience of the last few years and whose minds are not restrained by the thought of the great work which England has on the whole accomplished in the past in this land. I fully believe that it is in the power of the Government to give a turn to this feeling which will make it a source of strength and not of weakness to the Empire."

" The Government will no doubt put down, indeed it must put down, all disorder with a firm hand. But what the situation really requires is not the policeman's baton or the soldier's bayonet, but the statesman's insight, wisdom and courage."

This is what he said in 1909. Since then the situation has grown worse, as we have seen. I will close with one observation, and that is this. There has been no instance in the history of the world of one country having wrested self-government from another without bloodshed. It will be the glory of British statesmanship if it helps India to obtain self-government under the aegis of British rule without allowing us to pass through all the horrible processes through which Ireland had to pass, and through which Egypt had to pass. I beg this House—and particularly gentlemen opposite on whom lies a very great responsibility—to remember that, and I hope they will be good enough to transmit this appeal to the right quarter in London. In this matter I hope their opinion, our opinion and the opinion of all saneminded men will prevail.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, it is the good fortune of Sir Basil Blackett to be able at last to present a Budget—a Budget that gives this country some little hope for the future of her finances. Sir, we started this year with a terrible and distressing deficit of 17¼ crores. The state of the country's finances has been most embarrassing to all during the last five years. I am glad to say that through the skilful manipulation of the finances of this country, Sir Basil Blackett has been able at last to make both ends meet and to hold out hopes of a brighter future. Sir Basil assures us that we have at last come to the end of the era of unbalanced Budgets. Perhaps his prognostication is correct—specially in view of the fact that the Provinces have presented Budgets with more or less surplus all over the country. But I want to sound a note of warning at the very commencement, and I would ask my Honourable friend not to be too sanguine about the future results. Indian finances, as I know, are very unsteady. The finances of India depend partly on the fortunes of the monsoon and partly on circumstances over which neither the Council of State nor the Assembly nor even the Finance Member, howsoever, great, howsoever capable and howsoever intimately he may be acquainted with the financial details and history of the country has much control. I would therefore request him that , in considering his policy, he will bear in mind the great difficulties which his illustrious predecessors had to surmount in this connection and not to be too optimistic or hopeful of the results. Sir, in the discussion of the Budget here to-day, as elsewhere, I have noticed that in the excitement. in the enthusiasm over the appropriations of the surplus, the important features of this year's Budget have been completely lost sight of. I have been accustomed to deal with the Budgets of this country for several years, and I am paying a just tribute of eulogy to Sir Basil Blackett when I say that this year's Budget is a document of exceptional importance, is a document which shows deep and profound financial knowledge and ability to deal with the difficult problems of the country in a most statesmanlike manner. Unfortunately, the special features of this Budget have been overlooked and I shall only therefore draw the attention of the Council to some of these important features before I express my views as to the disposal of the surplus.

Sir, the finances of the country during the past few years have been subjected to a great strain, owing to the floating debt of the country. The floating debt of a country has its good as well as its evils. The floating debt during the last few years had risen in the shape of outstanding Treasury Bills to such a fabulous extent that it made constant and repeate calls on Government at short notice to pay up the call money. The result was that our finances lost their equilibrium and suffered from the immediate

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demands of the money market. Last year, Sir, when this floating debt was brought down to Rs. 22 crores, I had no such hope that it would be brought down this year to only Rs. 2 crores. This is an exceptional achievement and an important feature of this Budget; and the Finance Minister justly deserves the praise and commendation of this Council for having tackled this difficult question within the short space of the 14 or 15 months that he has been with us. I do not overlook the difficulties, on the other side, of the commercial public in this connection. But the country cannot have it both ways. These Treasury Bills have been of great value to the commercial people as supplying money for short periods; but at the same time they have often caused more embarrassment to Government than people are in a position to realise.

Then, Sir, there is one other important matter regarding our national debt which requires profound consideration and fresh examination. That question too has been dealt with by the Honourable Sir Basil Blackett with the instincts of a born financier. There has been in the past no system, no policy, and no recognised method adopted by successive Finance Ministers for the purpose of liquidation of our national debt. This year in the Budget the case has been presented from a singularly novel aspect. In the first place, the country's national debt has been presented in a form which explains easily and with clarity both the productive and unproductive character of the debt, the money which the Provinces owe to the Central Government; and a clear examination of these accounts will show that from the aggregate unproductive debt, if the money which is advanced to provinces is deducted, there is hardly more than £102 millions of unproductive debt which really represents the item of our war gift. His remarks in connection with the payment of our national debt are very significant and needs our serious consideration. The matter has been introduced in the Budget, and a system has been worked out by the Finance Minister showing that in the case of productive debt, the period of repayment ought to be spread over perhaps to eight years, and in the case of the unproductive debt, to a shorter period, and a system may be devised thus to rapidly liquidate the national debt. I will not refer to his statement about the misnomer of the term sinking fund, and his lucid explanation that the sinking fund ought preferably to be described as a contribution out of revenue for the avoidance or reduction of the national debt. I only hope that, as the subject is of very great importance and cannot be fully discussed during the time allotted for a budget debate, the Finance Minister will give an early opportunity to this Council to discuss this question by a separate motion or Resolution to ascertain the views and wishes of the Members of this Council.

Then, Sir, the separation of the Railway finance from the General finance is an important and significant feature of this year's Budget. Sir, I am glad that the recommendation of the Inchcape Committee in this direction is to be put into execution at an early date. I am glad that , in anticipation of the sanction of the Assembly, the Finance Minister has endeavoured to introduce the system into the current year's Budget. Sir, there is no doubt that the present system of management of railway finance is questionable, and is one which is neither fair to the taxpayer nor to the railway companies. The Railways must be run as commercial concerns, and it is not right that the revenues of the Railways should be ruthlessly appropriated towards the relief of the general finances in times of surplus and, when there are no surpluses and no money available, the railway programme

both ordinary and extraordinary should be mercilessly starved. This is a move in the right direction, and I hope this Council will give its unqualified support to this just and businesslike suggestion.

Sir, there are various other matters in connection with this Budget to which I should like to refer, but I am afraid the time at my disposal will not permit me to deal with them. I propose, therefore, immediately to concern myself now with the discussion of the question relating to the appropriation of the surplus balance. The Government of India have distinctly stated that they have left the choice in the hands of the Assembly. I am glad they have adopted this wise course. That is the body directly concerned with the consideration of this Budget and the disposal of the surplus. Various views have been urged in connection with this, in the other House as well as in this House. My friend, Mr. Lalubhai Samaldas, with his usual vigour, has fought to-day to bring down the salt tax to its former level. Perhaps he is not wrong. Government have made a suggestion that of the windfall, after reserving 2 crores of rupees towards the litigation which is now pending in the Privy Council, the balance, taken with the other balances, be appropriated in the proportion of 1·82 crores towards the salt tax, thus reducing the salt tax from 2-8 to Rs. 2, and the balance Rs. 1·50 crores be devoted for the relief of some of the Provinces by reduction of their contributions. Sir, I approve of neither of these proposals. Both these proposals, I respectfully submit to the Finance Minister, are unsound. If the country exercises its choice through its accredited representatives, if the Assembly exercises its rights, and votes in favour of reducing the salt tax from Rs. 2/8 to Rs. 1/4, I assure this Council that I shall not come in its way. I assure the Assembly that this Council, on this occasion particularly, will not veto their decision. But at the same time, I feel myself bound to urge some very important objections that could be validly raised against the distribution in the manner suggested by the Finance Minister and by some of the Members of this Council and the Assembly. Sir, let me remind this Council that monetary windfalls are as a rule very few and far between. These windfalls do not come very often in the way of the Finance Minister. If you examine the financial history of the last thirty years, you will see that we did occasionally get these windfalls when we had our opium revenue. On two or three fortunate occasions, on account of the exceptional nature of the opium yield, on account of the heavy exports that had taken place, we did secure before large and enticing surpluses, and therefore, when we have the good fortune of obtaining a surplus again, it is the bounden duty of the Finance Minister, as representing the Government, it is the bounden duty of this Council, it is the bounden duty of the Assembly, to exercise the utmost caution and a well balanced judgment in its distribution. Sir, we have no right, I say the Government have no right ordinarily to fritter away their surpluses by a reduction in the tariff or standard of taxation. If a tax is abnormally heavy or oppresive relief must be given. It is opposed to all the canons of taxation, it is opposed, as I understand it, to all the rules of good finance to dispose of a surplus on the basis of sentiment. It is also an unsound thing, on the other hand, for the Assembly or this Council to ask that these surpluses, when they come, should be appropriated towards the relief of an imaginary trouble or an inoppressive tax or grievance. I am not, Sir, speaking without my book. I have got the authority of one of the greatest statesmen who lived in this country, whose name is respected throughout the world. It was the late Mr. Gokhale. He urged times out of number in the old Imperial Legislative Council that the surpluses which accrue to Government should not be appropriated

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towards the reduction of ordinary taxes, but should be appropriated for the purpose of nation-building schemes, for education, for sanitation and for such other ideal schemes by which the country will benefit. Sir, that was the opinion of that great Indian statesman whose knowledge of finance was unrivalled. I ask my friends here to open the pages of the reports of the debates that took place in the old Imperial Legislative Council after the Minto-Morley scheme came into existence, and they will find that that was the considered opinion of the late Mr. Gokhale. This is my suggestion also,—I am afraid the country, is not in a temper or mood to accept it, but my suggestion is—that this money should be earmarked for one great purpose, and that is towards a Famine Insurance fund. This money ought to be utilised as an insurance against future famines, because we do not know when a terrible ravage or a great famine may again visit this country and put our finances in a hopeless and embarrassed condition. It would be a statesmanlike action, it would be a wise policy on the part both of Government and the representatives of the people here, to earmark this amount for a contingency like that. Sir, what is the actual result? The result in practice, a little reflection will show, will be the same. You reduce the taxes. I will not refer to the 5½ crores that we shall lose in 1924-25 and 1925-26. I will not dilate on that matter. I know that the conditions of things have altered in this country. Politics have changed the character of Indian finances. They have come unfortunately under the influence of political sentiments. The altered conditions that have arisen of late, owing to the introduction of reforms, have unfortunately brought our national finances under the baneful influence of political and other extraneous sentiments. I find that we cannot now-a-days divorce finances altogether from political sentiment. It is the political sentiment of the people that weighs with, that guides, that affects and influences our financial policy and the distribution of our surpluses. I believe that this ought not to be the case. Finances ought to be approached purely from the financial point of view. Politics should not be allowed to deflect and influence the national finances. I say it would be a wise action if this Council will set an example to the whole country by declaring its policy that this balance should be appropriated for a real public cause or service, namely, for meeting a real deficiency that may perhaps arise some day. As regards the Provincial contributions, I quite understand that, if relief is given, they would be appropriated by the provinces for the purpose of education and sanitation. But you know the past history of famines and the past history of the difficulties of the provinces. I therefore suggest to Government that this money should if the Assembly agrees be earmarked towards the Famine Insurance Fund and that the money should be apportioned and appropriated when a serious calamity arises.

I am afraid I have no further time at my disposal to speak on the other questions discussed in the Budget. There are so many important matters on which I should like to express my views.

There is one matter to which my friend Mr. Sethna was going to refer, and that is the revival of the opium income in the country. Sir, to please a few people in England, to satisfy a baseless sentiment, we absolutely sacrificed a splendid income some years ago from the sum total of our revenues. Sir, I am prepared to sacrifice any amount of revenue for the uplifting of a nation. I for one am always ready and willing to help on the amelioration of the people and adopt measures for their social advancement. If I was satisfied that China has got rid of the habit of utilising

opium to a large extent I should not have said a word on the subject. If I were convinced that China to-day has profited and benefited by the sacrifice which India has made I would not say a word. China to my knowledge and from my information to-day smokes and uses opium in larger quantities than it ever did before and since the period that we have sacrificed our revenues, and I would ask the Finance Minister to reflect on this matter and say whether one of the most important sources of revenue cannot be now revived in the present embarrassed condition of our finances and on account of the breach of contractual obligations on the part of China.

The Council then adjourned for Lunch till Half Past Two of the Clock

The Council then re-assembled after Lunch, the Honourable the President in the Chair.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I do not propose on an occasion like this to undertake an Abyssinia to Angora survey, or to race against time. But there are certain fundamental matters to which one must refer. Fully realizing that peace and tranquillity, as has been claimed by the Honourable Colonel Nawab Sir Umar Hayat Khan, is one of these fundamental matters upon which advance and prosperity would depend, we might make our position quite clear with regard to it. No one in his senses will be a party to anything that will weaken the defences of the Empire or will make internal tranquillity impossible. Taking it at that, and taking what our trusted, responsible, more than military adviser advises us, and subscribing to what he lays down as the minimum in number of the fighting strength of the troops in the present circumstances, it is presumable to suggest, and to claim, that more and much more should be done in the way of reduction in regard at least to the ancillary and administrative branches of the Army, and also by suitable and timely Indianisation. General propositions like these have been urged elsewhere, have been made all over the country and have not been unfavourably received. The complaint on His Excellency's part, however, is that concrete propositions have not been brought forward with which the authorities can deal. I recognize the justice of that complaint; at the same time it must be recognized that it is difficult for outsiders, much more difficult for lay outsiders, to make any proposals that, without erring, will be acceptable to the authorities. Such propositions, however, as have come home to us—and must have come home to His Excellency the Commander-in-Chief also—may, in so far as they have not been referred to, be briefly recapitulated. We have heard this morning, Sir, that the bureaucracy here is so powerful that it can make a Secretary of State unsay his savings, or at all events add a gloss, a commentary, an emendation and things of that description with which we are so familiar in law literature. But my friend who suggested this forgot—and we should not forget—that the powers over there in their turn are so powerful that they can make our Commander-in-Chief take back what he himself had agreed to. When His Excellency spoke in another place the day before yesterday, I did not hear any reference to a reduction that the Inchcape Committee had recommended and which, as we understood, His Excellency had agreed to. And that is a further reduction of

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a cavalry regiment. The Council will remember that two out of three cavalry regiments only had been reduced and one of the reducible regiments was retained in spite of the Commander-in-Chief's agreement that it might be reduced. Well that is a fact. What the explanation of that fact is would, I think, be of interest to us who are insisting, with expert advice on our own part, upon such reductions for it would be possible without reducing efficiency. Then, Sir, we have not heard why even exceeding as the minimum the necessity of maintenance of 200,000 fighting men for defence and tranquillity purposes, it would not be possible further to increase the ratio of Indians and Europeans, so that net gains in pay, pensions and capitation grants and other charges may be possible. A good deal of time has elapsed between the recommendations of the Welby Commission and of the Inchcape Committee which considered the matter. The capitation grant which stood at £27 in earlier days was possible to be reduced to £13. It is believed that it can be further reduced even if there was to be no reduction in the number or units. That is a proposition that no doubt will receive the attention of His Excellency the Commander-in-Chief.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It already has.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am glad to hear that it has, but the results have not been made known. We request His Excellency to consider whether further retrenchment in that direction is not possible. Then, Sir, we have not heard with regard to the staff and headquarters establishment whether all the reduction that has been recommended not only by the Incheape Committee but also by the other Committees, the Innes Committee, for example, has been complied with or not.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It has been.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Entirely? If so, I am glad to have brought it out. That is a matter that has been troubling some of us. Then, again, on the question of transport a great deal more of reduction is supposed to be possible. As we have to be content with what Mr. Burdon called " one fish at a time " elsewhere, I think we require to count and keep tally of our fish very carefully. Take, again, Sir, the question of employment of more civilians in purely clerical, scientific and administrative work, work which need not be done by highly trained and highly paid military men, work which someone called mere signing of letters, which I know it is a great deal more than signing of letters. Work of that kind can be well relegated to the civilian part of the establishment. It will thus be less expensive and probably easily capable of being done by Indians. That is an important branch of military expenditure that can be well taken into consideration. Sir, what Indianised military finance can achieve has been shown by Sir Bhupendranath Mittra. His Excellency the Commander-in-Chief told us elsewhere that, given a war, he would undertake to train officers quicker. If you create an atmosphere, you can do it even without a war. We have been more or less " contemptibles " in this country, especially in Bengal about whom my gallant friend Nawab Sir Umar Hayat Khan has absolutely no opinion as the lower country. But, looking back upon what has been

achieved in Bengal in the way of attempting to revive a martial spirit in the country, I may refer to the movement that came to the aid of His Excellency's predecessor with regard to medical and ambulance facilities in Mesopotamia when his own arrangements there had utterly broken down. Remembering how the Ambulance Corps furnished by Bengal was followed up by the double company movement there, which again was followed up by the Bengal regiment and university corps movements under severe handicaps, one cannot help deploring that the atmosphere for military life in Bengal did not come into existence earlier. The atmosphere is now worse. One cannot but regret that the cry now raised by His Excellency that instead of " agitate, agitate, agitate " the cry ought to be " educate, educate, educate " did not come much sooner. Who was responsible if education of that kind did not come earlier? Certainly not we who did the best we could against tremendous odds. If I had my way, Sir, and there was a time when I might have to some extent, if helped, I should close down if need be all our Arts schools and colleges and invite His Excellency to see sprung up in their place at least preparatory schools and cheaper colleges than the one at Dehra Dun, where all who wanted and cared for military training would be trained. If the facilities came earlier it would not be possible to say that their entry to the commissioned ranks could not be quickened. The result would have been no less noticeable than has happened in law, medicines, and engineering, arts. What has happened to those who held the Viceroy's commission. Fine brave dependable men, but not entirely suitable. It has been frankly stated and frankly accepted that it is not possible to any large extent to recruit from that field for the commissioned ranks. And why is it so? Because they have not had enough education. Sometimes they have not had enough status. That brings me to a question which I think His Excellency raised last year and which ought to have been followed up. It was proposed that a central or a decentralised advisory educational Board should go into the requirements of every province and provide facilities for the education of the children of those who wanted to send them to the Army. I have been with the now defunct advisory education board all over the country, and wherever recruitment is going on or possible we were told, and incessantly told, that the education provided for children in those parts deliberately or otherwise was such as did not fit them to be ready for entry into the commissioned ranks. That is a part of the proposition that we cannot overlook if we really are to believe in the cult of education as a part of military training. I hope between His Excellency's initiative and the efforts of the Education Department it will be possible to bring back that educational board or some other body more fitted to take up this work, whose duty it would be to take up propaganda work and to see that in the different provinces education of a suitable kind was provided either in special classes in the schools or in special schools and colleges that would educationally fit the people concerned to take up military training. It need not necessarily be in the expensive college at Dehra Dun but in some other less costly and more accessible centres that should immediately spring up. Sir, I remember His Excellency's impeachment last year, and it has been repeated this year, that those of us who take interest in military training for our youth have not even condescended to go and visit the Dehra Dun College. Well, I am one of those who must plead guilty to that charge. I have had every facility but could not avail myself of it. Even if we are not there physically, we are always there in spirit as His Excellency's well-wishers. We wish the Dehra Dun College and all other schools and colleges that may follow it,

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all success. We thank His Excellency for proposing to extend its resources and its possibilities. But a great many more schools and colleges will be needed before we can have education of the kind he suggests. There is another field from which recruitment would be possible if it was well handled—I refer to our Territorial Force and the University Corps. What is wanted there is intensive training. It is not the 30 days' training of an amateur sort that will answer. We want one month's training in the first year, two months' training in the second year, three months' training in the third year or in the reverse order, in order to make our people believe in the reality of the thing and to make them ready for contingencies. Sir, we are not going to have a war every day. We do not want war every day. But we ought to have the makings of good officers and the foundations of good soldiers, well laid in advance, which can be done without an actual war. With that end in view let the authorities do all that is necessary and possible instead of merely laying down an indefinite time-limit that will be necessary to Indianise the Army. In the meantime they are not doing what can be easily done and should be done. What for example is happening in the Indian Medical Service? In that service Indianising had been going on slowly for some time. Many temporary commissions were given but those men are now either idle or still temporary. Indianisation in that service has now been held up. Indianisation in the scientific and mechanical corps also is not proceeding apace. The Air Force could easily experiment in this direction, and so could the Artillery and the Engineers. But nothing is being done. Indianisation and retrenchment should go hand in hand and can do so without in the slightest degree impairing the efficiency of the Army, and we should appeal to His Excellency to take up this matter with vigour and continuity.

Sir, the Finance Minister last year did me the honour of quoting me at the end of his speech,—a sort of a mascot about my previous reference to a red-letter day. Unfortunately it turned out in the end in his case o be a red flag and it did a great deal of mischief. This year the honour has been bestowed on Pandit Madan Mohan Malaviya, whose cry of "national basis" is the Finance Member's mascot this year. Sir, I have been looking carefully into the Budget, and it would require, I am afraid, Sam Weller's extra million horse power microscope to see anything in the way of nation-building facilities. Sir Basil Blackett does not like that phrase nation-building nor do I. It is not really a case of nation-building; it is a case of nation re-building, or nation re-assembling. But what facilities have been provided for it in the Budget?

THE HONOURABLE SIR BASIL BLACKETT: One and a half crores for the Provinces.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: One and a half crores for the Provinces. But what about the Central Government? With regard to the Provinces I am afraid disillusionment will come to Sir Basil there. He is not going to have a surplus to distribute if he relies on continuance of the enhanced salt duty. I will not labour the salt tax question because I think enhanced duty is doomed, and the representatives even of the favoured Provinces in the Assembly will not look at these few lakhs of rupees apiece at such a price. I shall not proceed on the basis of his getting a two-rupee salt tax and dangling that before the Provinces, not by way of appealing to their Provincial particularism, as he calls it. Budget time coining of phrases like war slangs

is coming upon us thick. He has been careful to say that he is not appealing to Provincial jealousies nor to Provincial particularism. I will take it at that and shall assume that the presentation of Sir Basil's cleft stick is in the interest of the Provinces. The Provinces understand however their real interests better; they look at it from the "national point of view" in his borrowed phrase, the lustre of which has not lasted long. Without reduction of the salt duty to its former level doles to the Provinces would be indefensible. We hear it said that Bengal, and possibly Bombay, will oppose the Provinces' claim to wipe out all the Provincial contributions. No such thing. Bombay and Bengal have no grudge against fortunate Provinces. They only require a readjustment and revision of the whole scheme, by an impartial Tribunal and not mere doles, so that the Provinces with their own resources and in their own light may take up nation-building or re-building activities. My Honourable friend Sir Narasimha Sarma represents Education and Sanitation and other subjects and is charged with the residuum at all events of what has not been handed over to the Provinces. What has been done to permit his Department being made more popular and more effective? We look in vain for anything of that kind,—or for broadening the basis of the constitution for which there has been such a demand throughout the country and in all our Councils? Let Government take note of all this and act. Our complaint and grievance is that although the cry of work on a "national basis" has been raised, not a vestige of assistance towards that basis has been furnished in the Budget.

Sir, there are one or two matters of detail to which I think I might draw the attention of the Council. On page 277 of Demand No. 88, under the heading Miscellaneous, we find 5 lakhs and a few thousand odd of expenditure in 1922. Rs. 5,08,000 was the budget estimate in 1923, and by a sudden jump this year it has been put down at Rs. 13,35,000.

I think some information is necessary with regard to it, because the expenditure in England is not the least of our burdens. And before I get away from that page, Sir, I should like to call attention to a provision for the League of Nations of 7 lakhs of rupees with regard to which I should like to call the attention of the authorities concerned to a statement by His Highness the Jam Saheb of Navanagar in the League of Nations Assembly on the 28th September on the allocation of expenditure on the League. The House will remember that the Jam Saheb put forth a strong plea for the reconsideration and revision of the scale of expenditure, which I think should be duly taken into account. Time will not permit my going into many other details that I should have liked to discuss.

Sir, I shall not stay to consider some of the extraneous points which have been treated by the Honourable Sir Maneckji Dadabhoy. I join with him in conceding to Sir Basil Blackett his due meed of praise for the way in which he has dealt with the question of debts and other purely financial matters which certainly have strengthened the Budget aspect of the presentation that he has made. But, after having heard what my Honourable friend has chosen to say, I cannot possibly subscribe in the remotest degree to the idea that those who made themselves answerable for the reduction, with a view to ultimate abolition, of the opium revenue were faddists who should go by the board now, and that the chapter of shame should be re-opened to the eternal discredit of Great Britain. Sir, it is bad enough in the Provinces. We, at all events in Bengal, have to thrive on the promotion of drink and litigation. The more we drink and the more we litigate the more we are likely to flourish. We

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do not propose to do that if we can help it. For the time being, however, we are helpless. The Honourable Member in charge of Excise in Bengal the other day said in the Bengal Council that one-fifth of the revenue of Bengal comes from Excise, and we do not propose that more, even if it was to relieve us in an appreciable degree, should come from that source. My Honourable friend forgets that those who can have their own way like they have in America can make treaties and make Britishers give up their drink not within the three miles limit only but much more than that. We cannot have our own way and have to thrive on drink. But because the Chinese will not give up opium is little reason why we should begin to pander to them again, so that we might have a little more revenue. Why then we might have a further go at it when we are about it! Would it be suggested that we might open gambling dens . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: May I rise, Sir, to make an explanation? My Honourable friend is apparently under some misapprehension. It is not an excise for internal purposes—it is an export duty which China pays.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Quite so. And if China will not take our opium? In the train of that we will have an opium war as we had before. I do not know whether His Excellency the Commander-in-Chief would like that by way of training up our officers; such a little distraction would be useful, but that is what it would come to if we restarted our opium revenue campaign again.

I see you, Sir, beckoning and pointing to the clock. I shall not, therefore, trespass further on the House, but one word I should like to say, with regard to the separation of Railway from General finance. There is no authority yet upon which the Honourable the Finance Member could have proceeded to base his Budget on the basis of separation. He has therefore wisely framed his Budget in the alternative and, till the Assembly pronounces an opinion, and till this House has had an opportunity of going into the matter, the separation cannot and should not take place. There is no convention or rule that forbids our going into it as it is a large question of policy not of mere budget demand. I hope we shall have due opportunity of discussing this important matter as it requires careful consideration. I do not think that such separation ought yet to be the basis of our finances.

3 P.M. THE HONOURABLE SIR DINSHAW WACHA (Bombay: Non-Muhammadan): Sir, I will make one or two preliminary observations just to clear the ground. In the first place, I am sorry to see that in a question of pure finance politics have been mixed up very largely Politics have been mixed up so much that I fear very little of an enlightening character is said on the Budget proper, and yet we are always crying out that there are no "nation-building," proposals and that no money is set apart for them and so on. But how can you have money when you do not pay that careful attention to finances which is required for the consideration of that large subject? Sir, my other point is this. Many of my Honourable friends have desultorily talked about increased expenditure, specially military expenditure. I do admit that there is considerable room for reduction. If I may indulge in a little egoism, I would say that I was the first person in the year 1885, when the first Indian National Congress was held, to

draw public attention in an exhaustive speech to the gruesome military expenditure. From that day forward to this I have always, whenever occasion occurred, expatiated on this ever increasing growth of that expenditure Last year, I brought forward a Resolution about the repeal of the Army amalgamation scheme of 1859, because I believe that the root of the ever growing military expenditure was the Army amalgamation scheme. I know that my friend, His Excellency the Commander-in-Chief, has said here and in another place that the repeal will hardly reduce the cost. On the contrary it will cost more and so on. I do not want to discuss those controversial points. I only say this, that if India is to be relieved of a large portion of the military expenditure, then the first and last thing is to lay the axe at the root of the Army amalgamation scheme. That is the radical reform that is wanted. In 1864, the military expenditure was only 14 crores, in the year 1924 it is something like 60 crores. In other words there has been, despite scores of reductions during the period, a continuous increase which now amounts to 46 crores or nearly five-sixths of a crore per annum. That means that, notwithstanding your Inchcape Committee axe and other axes of one kind or another, during the last 60 years the military expenditure has gone on swelling and swelling. Unless therefore you lay the axe at the very root of the Army amalgamation scheme which is the dire spring of this colossal expenditure nothing will happen to check that growth. I must ruefully observe that, notwithstanding my close study of this subject for over 40 years, I am not hopeful. I am growing more and more pessimistic about the reduction of military expenditure. Apart from this conviction, I find that for serious disturbances on the frontier and in other places in the country military forces have necessarily to be employed. For no lover of his country wishes that life and property should go unprotected under such deplorable circumstances. And yet there are those shortsighted persons who would insist on reduction. How it may be reasonably inquired are the two things compatible? In one breath it is loudly demanded that military expenditure should be reduced, and in the other breath those who clamour for reduction are not slow to bring about political agitation leading to disorder and bloodshed in the country, disorder in trade, disorder in industries, disorder in everything which needs social order and tranquillity. How are those two things compatible, I seriously ask my friends? Can they reconcile the two situations? I emphatically say they cannot. What is the use then of merely carrying on this sort of academic discussion every day and almost every hour? Let them first remove those factors which compel the Government to have at their back sufficient forces to quell disorder and protect life and property. I now come to another point. It is said that expenditure depends upon policy. Now there are financiers and statesmen who are not slow to challenge this obsolete dictum. These discredit the maxim which has been deemed axiomatic so long. What they say is that policies should be regulated by expenditure. If the country has not got sufficient money to carry on a particular policy, how may the policy laid down be carried into execution? You may have a policy which wants crores of rupees, but if you have not got the money, how can you carry it out? Therefore, Sir, I do say to all my friends in a most friendly spirit that if you want to reduce your expenditure in many respects, first attack the policy, bit by bit, attack one policy at a time and modify it in harmony with your ability to expend the money which that policy would need. Then attack another in a similar way. It is impossible that this could be done by special Resolutions in this House within a brief space of thirty minutes when, of course, such a criticism demands long hours

[Sir Dinshaw Wacha.]

for arriving at a conclusion. Take this Budget alone, involving many subjects. Is it possible any one of us can do any justice to a single weighty topic for twenty or thirty minutes? I do not blame the gentleman who is sitting in this assembly in the Consul's chair. He himself is helpless. He gives such spare time as the Government orders. I have on many occasions spoken on this subject, and I do once more appeal to the Honourable the President, who is now going to become the Home Member, to see that the Council of State at any rate gets a little more indulgence in point of time, on a topic like the Budget. For the other House has two opportunities to speak on it. They first of all discuss the general aspects of the Budget, and when the Grants come up to be sanctioned they of course hammer away at each grant (*A Voice*: "For five days.") Here we have got nothing of the kind. Our mouths are overflowing with all sorts of subjects. How can we, tied down as we are, by that gentleman sitting in the Chair, speak on all the different subjects within the brief space of thirty minutes? Of course, he is only a servant of this House and therefore he cannot do anything, but I venture to submit that the Government should be indulgent and give us reasonable time in the future to allow fair and enlightened criticism.

Now, Sir, having cleared the ground so far, I repeat that if you want to attack excessive expenditure, you must attack first the policy regulating it. You have no power at present. In my opinion the Legislature itself should be the sole authority to lay down policy. When it has put down a policy, you will know where you are and how you can regulate your expenditure.

Coming to the Budget, last year notwithstanding all pessimism, I myself in my speech expressed a hope that when the next year comes things may be usefully improved and that we may have at least the prospect of a balanced Budget. That balanced Budget has become a reality and an accomplished fact, and I congratulate the Finance Minister on having rendered that great service, because I do admit that a balanced budget is the only thing possible and not to allow deficits after deficits to accumulate until one day we are asked to pay 33 crores taxation. That will not do. Deficits must be met from taxation. Therefore, Sir, I am very glad, and I welcome this balanced budget, and I venture further to say that the whole country should welcome this Budget. Some people have called it a "budget of surprise." Some have called it "anæmic" I am not going to indulge in any label of finance. The only thing I can say is that we should congratulate the Finance Minister on his courage; you will ask courage in doing what? I answer in having made a new departure in adjusting the finances of India and in having adopted new methods, which will certainly place your finances on a sound basis. It is on this new departure I wish to invite your careful attention. If you ask me what is the outstanding feature of this Budget, I repeat it is the new departure which the Finance Minister has wisely taken to ensure the thorough soundness of Indian finance in future—principles which his successors may safely and fearlessly follow. The first thing to be done, no doubt, is that the load of the national debt should be reduced. It can only be reduced in two ways. If you diminish the principal of your debt you diminish the interest thereon, and if you do this then you have more money to spend. And that is the right way to go about it. The first thing therefore to do is to reduce the national debt. And what has Sir Basil Blackett done? He has suggested to you a very good scheme, a very

practical scheme, which I as a business man wholly recommend to you all, that we must reduce our national debt as far as possible. In the Financial Statement it is said that the existing debt, according to Sir Basil Blackett, will disappear in about 50 years or so. In the meantime, further debt will accrue. I say to you, if you want the debt to be reduced, you should agree with all your heart to the present proposal because that is the first thing a capable financial administration should take into hand. Unless this is done, you will always be roaming and roaming aimlessly hither and thither. They say Indian finance is a gamble, and it is needful to minimise that gamble so as to stand as near as possible on a sure foundation.

Then, Sir, the two outstanding features of this financial Budget are these. First, diminution of debt and partly the avoidance of debt. And the second, but even of greatest importance, is reform of your railway finance. Now, for years together I have in public speaking and writing hammered away at the expediency of separating railway revenue from general revenue. I said so in a brochure which I wrote in 1909, criticising the report of the committee of which Lord Rothschild and Sir John Mackay, (now Lord Inchcape) were the leading members. I observe at the time that if the railways are to develop, and if our trade and industries are to develop and to have free play, what should primarily be done?

This, that we must have the railway surplus given back to the railway people and used for no other purpose so that they may thus have part of the annual capital from that annual surplus. Such gain might be usefully employed as capital in developing the Railways, and in that way it may go on automatically. If you had gone on that principle 12 or 14 years ago, I believe you would not have found yourself in that quandary in which you have been for the last three or four years. This is one of the causes, apart from many other causes, which contributes to deficits, and I may say that when Railway finance is separated from General finance, what will happen is that the Railways will be easier in their finance, the merchants will be in a better position in every way, trade will more and more expand and at the same time your general revenue will also increase. If you go deeper into the matter, you will find that that is the right way to use the annual railway gain. Therefore, Sir, as I have said, the two outstanding features of the Budget are the reduction of the debt and the separation of Railway from General finance. If these two go hand in hand, I am quite sure that whatever may happen, even if there may be a famine, the Honourable Sir Basil Blackett will be able to balance his Budget any how. We have crossed the Niagara of accumulated deficits and Sir Basil is the helmsman who has brought the ship of financial state into the safe haven of financial equilibrium. I consider that we are now far from the Scylla and Charybdis which seriously obstructed our smooth navigation. We are on dry ground and if we are now on dry and high ground, I think we can take courage in both our hands and say that our finances will be easier. I hope therefore that every one of us here and elsewhere will cooperate with the Finance Minister in his efforts instead of criticising him more or less in the way that has been done. I admit that criticism is a very good thing. Sound criticism, based on experience and knowledge is most wholesome. But ignorant criticism, ill-concerned criticism, ill-designed criticism, can never achieve any good. It never has and never will. I strongly appeal to my friends here: " Do not indulge in ignorant or ill-considered criticism. Go on with criticism which is based on facts. Facts

[Sir Dinshaw Wacha.]

are near at hand but I am afraid very few look into facts. There are a number of questions put in this House as to " What is this and what is that?" Most of those questions can be answered by Members themselves if only they will take the trouble of referring to the blue-books and other periodical publications. I do not blame my Colleagues for their inattention to this matter. Of course many of you have not read the blue-books and may be unaware of the facts disclosed therein. I repeat I do not blame them. But I do appeal to them that, if they really and honestly want to do their duty to the country, if they sincerely want to improve the finances and increase the wealth of the country, to study and equip themselves and to be qualified to discuss financial topics with knowledge and confidence. Then your words and suggestions will command respect and your views will be seriously considered. I hope that the appeal I now make to my friends will prove fruitful.

Sir, having said so much about the distinctive features of the Budget and welcoming the Budget, I want to say a word on the surplus. Of course there is a surplus. It is a small surplus, a negligible, surplus, if you like Were it not for the windfall there may have been no surplus at all. But what is this surplus? Lord Cromer said years ago that there is no true surplus in India. I think he was right. What he meant by saying this was that there was no true surplus in India. There was no such surplus as would remain after reserving from your excess of receipts over expenditure what is needed for the extinction of your debt. When that happy event comes to be accomplished there will be a true surplus. Otherwise, your surplus is nothing at all. The annual surplus is used here and used there, but your national debt increases apace. That is not real surplus. If the surplus is to be applied, the first thing to be done is to see that your national debt is reduced. The moment your national debt decreases, your interest charges diminish and the saving of that interest comes in as revenue. As I have already said, this is the fundamental object to be achieved. As far as the present surplus is concerned, I think the feeling of the country, as far as it can be ascertained, is that it should be utilised to bring the salt tax down to Re. 1-4. As I have said Governments are sometimes in so embarrassed a state and in such a quandary that they do not know where they are, and sometimes when they go against public sentiments and public feeling they find themselves in the wrong box and repent afterwards. Why should Government put themselves in such a position? When they go against popular feeling and when they find that they have made a mistake they come back and say " We made a mistake ". That is not the right thing. Governments make mistakes as we human beings do, but we generally try to correct ourselves, but Governments seldom correct themselves. I am not speaking of the Government of India alone. I am speaking of this frailty of Governments all over the world. They are all the same from top to bottom, chips of the same block. So as far as this surplus is concerned, I leave it to the House to decide what to do. The general feeling is in favour of Re. 1-4-0 a maund for salt and I believe in the long run that will be better. The Finance Minister, I am quite sure, if things go on well, will be able to balance his Budget without any further taxation. There will be no deficit of 2½ crores next year or 5½ in the year after as he fears. Nothing of that kind will happen. I think things are moving on. There are two factors in our favour just now. The Home Government have been in right earnest about bringing about the revival of the Russian trade. If Russian trade is developed it means a great

stimulus for India because by the revival of Russian trade we will increase our revenue and as our revenue increases our customs duties would be proportionately reduced. I think as far as customs duties are concerned they are a crushing burden at present. I know the majority of my friends in this place and in the other place talk of protection. "Protection, Protection, Protection" that is the cry all round, from the Himalayas to Cape Comorin. That protection will be the ruin of India. Remember that. Last year I said the same and this year I repeat it with greater emphasis. High protective duties will never improve your finances. No doubt certain new industries which may be in their infancy will need protection for some time. By all means give that. I have been in favour of free trade all my life; but I have also uniformly advocated temporary protection for industries like sugar, iron and steel, say for 10 or 15 years, till they are able to stand on their own legs. But the moment they are able to do so and face the competition of the world, protection should cease. If you have got strength in you, if you have got industrial brains in the country, you can certainly hold your own in competition with the world and render the greatest good to your country. You badly want industrial brains. Where are the brains which only need right development? Talking of protection, Gentlemen I may say I am here to-day and will pass away to-morrow but you will remember my words. Protection will be the country's ruin. It would not last long. We have similarly heard talk and vehement talk about our railways being managed by the State. That is another fatal fallacy in which the country has been thoughtlessly indulging, anyhow, these are my individual opinions, and I daresay my friends, the Swarajists, will come down upon me and attack me in their papers. I care not tuppence I have got a very broad back. I have borne ill-conceived criticism for the last 50 years of my public life. However, I do not want to say more. Then again people are glibly, if not selfishly, talking of exchange and currency. Exchange and currency may be all right. Exchange may be 1*s*. 4*d*. But is it contributing to a surplus? For five years you have had a cumulative deficit of 100 crores. Did exchange give us any relief at all? Did currency give any relief? Currency artificially managed is no good. Therefore I do say this. Let exchange and currency take their natural course. That is the course the Finance Minister has adopted and I consider it to be the right course. If trade is improving and exchange consequently improves, why should we not take advantage of the improvement? It may go down with trade depression and then we shall have to pay more for taxation. But you cannot have it both ways. Please remember that exchange and currency both depend on the movements of prices of staple commodities. In the matter of public finance you must have a balanced judgment, you must balance your facts and you must take into consideration not only the Indian situation but the whole world's international situation. India is now entering upon an international status and therefore international commerce has and will have no little influence on the course of Indian trade.

Well, Sir, this is all that I can say here. We can speak perhaps for 50 hours without finishing all we have to say on the Indian Budget, because it is so complicated and there are so many topics which hold our interest and attention. Therefore, I will say nothing further except that I hope that whatever criticism you may offer you will try to co-operate with the Finance Minister in the new departure which he has introduced, because I believe sincerely that the new departure will improve the finances and advance the prosperity of the country. With these words, Sir, I resume my seat.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non Muhammadan): Sir, there are just two remarks that I wish to make arising out of the speech made by the Honourable Sir Maneckji Dadabhoy before luncheon time. I do not certainly wish to try a fall with so doughty a champion of public finance as he, but as he brought in the name of Mr. Gokhale as an authority for a certain recommendation that he makes as to the disposition of our small surplus, it might be useful if I supplied a corrective to his impression of Mr. Gokhale's teachings. There was, Sir, in the history of Indian finance an era of surpluses of a somewhat unprecedentedly large character year after year. Our Government at that time were under sore temptation. They created large scientific and technical departments; they increased the salaries of officers all round; they embarked on building operations on a gorgeous scale; and for a diversion they had a little military picnic which cost us a good bit across the frontier of Tibet. At that time Mr. Gokhale thought it was time to protest against these surpluses as in themselves constituting a wrong to the people of the country. The maintenance of large surpluses year after year, he argued, was the result of maintaining taxation far above the necessary level, and he therefore argued that if the taxes could not be reduced—that was his first idea—if the taxes could not be reduced, then the best way of disposing of the surplus was to devote it to subsidies to local boards and municipalities for what we now call the nation-building services. Lord Curzon's Government for years in succession adopted the plan, and if he, Mr. Gokhale, supported the idea then it was not because he justified the existence of a surplus for the purpose of nation-building departments, but he thought it was the best way of disposing of the surplus if the Government could not be persuaded to apply it to the relief of taxation. Now, Sir, I am not an advocate of financial purism with a vengeance, but I do believe that the salt tax is an emergency tax and that, if as last year the emergency taxation was levied by the Finance Member for a certain specified purpose, when once that purpose is off, I believe it is true economic doctrine that the tax also should be taken off. I know no better disposition, speaking purely from that point of view, of the surplus that we have now than to remit the extra duty on salt.

But I have another remark to make to Sir Maneckji who showed so much anxiety to follow the teaching of Mr. Gokhale in regard to the surplus and who seemed to discard his teaching altogether on the other subject of opium. I remember that Mr. Gokhale denounced the opium revenue of the Government of India as utterly immoral, being based on the moral and physical degeneracy of a neighbouring people from whom we had received no harm at all. He emphatically supported the idea which the Finance Minister had at the time that by a long series of reductions of the opium revenue we should in time extinguish the whole of it and liberate China if possible. (*The Honourable Sir Maneckji Dadabhoy*: "Have we done that?") I very much regret that China has not profited by our moral excellence. But if that is the case, I do not see how we could go back to the opium traffic. Now, Sir, it really is unnecessary for me to go into that question. Our export opium to-day, there is abundant evidence to show does not go to China, at any rate the bulk of it; perhaps the greater part of it goes to America, perhaps it goes to the Chinese [illegible] and I believe the Government of India would be pursuing the true course of Indian finance if in course of time they abandoned the revenue that they get from the export of opium, unless it could be proved

that that export was strictly limited to the consumption of opium abroad for purposes which were scientific and medical.

THE HONOURABLE SIR MANECKJI DADABHOY: Might I ask for some explanation from my Honourable friend?

THE HONOURABLE THE PRESIDENT: The Honourable Member asks for an explanation, but he might *make* a personal explanation.

THE HONOURABLE SIR MANECKJI DADABHOY: Have we not got a moral right to impose a duty on English liquors, foreign liquors?

THE HONOURABLE THE PRESIDENT: I observe the Honourable Member asks for an explanation. He can *make* a personal explanation.

THE HONOURABLE MR. J. W. A. BELL (Bengal Chamber of Commerce): Sir, I desire to associate myself with those Honourable Members who have offered congratulations to the Honourable the Finance Member on the fact that for once in six years he has been able to present a balanced Budget, and not only a balanced Budget but a Budget with a very considerable surplus. I should also like to congratulate him on the exceedingly lucid and very interesting speech in which he submitted the Budget to the Legislative Assembly and to the country.

I do not think I should be allowed the time to go into the Honourable Member's speech or the Budget in detail, but there are one or two points to which I should like to refer.

I have no wish to propose an addition to the labour which must have fallen upon the Finance Department in preparing the masses of figures which have been submitted to us, but I think it would be appreciated by Honourable Members if we could have a short statement showing to what extent the balancing of the Budget and the surplus shown is due to each of the following causes. In the first place, to increased amounts estimated to be received from taxation; in the second place, to increased amounts estimated to be received from what one might describe as the commercial departments of the Government, that is, from sources not involving taxation; and in the third place, to retrenchments effected as the result of the recommendations made by the Retrenchment Committee. I make these suggestions for two reasons; because, in the first place, the increase in revenue from taxation in the estimates is very large; and in the second place, the decrease in expenditure shown in the estimates does not seem to follow the recommendations of the Retrenchment Committee. With regard to the first, the revenue from taxation expected in the coming year appears to be about 6 crores more than in last year and about 4 crores more than in 1922-23. I am speaking in round figures. With regard to the second, the expenditure is estimated at 5 crores less than in 1922-1923. The military expenditure has been reduced by 8 crores. If, therefore, military expenditure be excluded from both years, the expenditure in 1924-25 is estimated at really three crores more than in 1922-1923, the year on which the Retrenchment Committee based its recommendations. I do not wish to weary the House with the figures under the several heads. They will be found on pages 10, 11, 12 and 13 of the Budget. But, briefly, under the head of charges for collection of revenue, the Retrenchment Committee recommended a reduction of 72 lakhs, whereas the expenditure under this head in the present Budget is estimated at 83 lakhs more than in 1922-1923. Again, under the general head of civil administration,

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the Retrenchment Committee recommended a reduction of 175 lakhs, whereas the expenditure under this head in the present Budget is estimated at only 14 lakhs less than in 1922-1923 and at 23 lakhs more than in the current year. From these figures seems to emerge the fact that if the recommendations of the Retrenchment Committee have been followed in some directions, the result has been negatived by increases having been made in other directions, and the net result is as I have just indicated.

There is another subject mentioned in the Honourable Member's speech and more fully dealt with in the Notes explaining the Estimates, with regard to which, I think, Honourable Members would be glad to have a further explanation. I refer to the arrangement under which under the head of interest receipts, the revenue for the year has been credited with 142 lakhs, which is said to be the amount of the assets of the Gold Standard Reserve in excess of 40 millions sterling. As the amount, nearly 1½ crores, is a very large one, and as a similar credit to revenue has not been made before the present year, I think that Honourable Members would be grateful if the Honourable the Finance Member would explain what the reasons were which led to its being treated in this way. I have no doubt that a perfectly good reason will be forthcoming, but, just at first glance, the method seems to be open to certain objections.

To me the most interesting chapter in the Honourable the Finance Member's speech was that dealing with the debt position, more particularly that portion having reference to the arrangements that are being made for the reduction or avoidance of debt, the suggestions put forward with a view to the fixing of periods for the redemption of different classes of debts, and the desirability of laying down a definite, and possibly a statutory programme, for dealing with the redemption of these debts. The Honourable Member mentions that, in his view, discussion is likely to be provoked by the suggestions which he has put forward. I venture to think that any criticisms which may be offered will not be hostile criticism, for the proposals which he has submitted are simple, and clear, and businesslike. But for the indication that such would not be resented, I should not have put forward any suggestions at all. In view however of what the Honourable Member has said, I make the following submissions. It is a matter of opinion very much, but it is an opinion which I believe is widely held, that, in the case of an unproductive public debt, a fair allocation of the burden as between the present generation and posterity is arrived at, under normal circumstances, by making the period of redemption 60 years and in the case of a productive debt 90 years. If I differ from the views expressed by the Honourable Member to any extent at all it is in connection with the periods proposed for the redemption of the debts due to past deficits and in connection with the cost of New Delhi. I consider that the Honourable Member would be dealing leniently with the next generation if he were to make the redemption period in each of these cases 30 years, instead of 25 years and 15 years as suggested by him. This particularly refers to the last mentioned debt, as New Delhi is not likely to be completed for some years to come. If these suggestions be adopted, they would help to spread over the burden of these debts, and would assist the Honourable Member in submitting an

even more favourable budget next year, which I am sure he will be able to do.

I propose to refer very briefly to the question of the separation of Railway finance from General finance. It is perhaps unnecessary for me, after what has already been said, to say more than that. I am in entire agreement with the opinion expressed by the Finance Member, that no reform offers greater benefit to the finances and to the railways of the country than the separation proposed. There can be no real advance in railway development, so essential to the welfare of the country, until the railways are dealt with on a purely commercial basis. That is, they must pay a reasonable rate of interest for the funds which they borrow; but, on the other hand, they must be allowed, out of the balance of their profits, to undertake such developments as they consider necessary and desirable, and to build up reserves. The present arrangement stifles all enterprise on the part of the railway management, and offers no inducement to them to study economy, and the sufferers, in the long run, are the public.

Another statement in the speech of the Honourable the Finance Member which I read with interest was that in which he mentioned that he found it necessary to assume that the final outturn of 1924-25 would be unaffected by any changes in the customs tariff resulting from the recommendations of the Tariff Board. I do not wish here on this occasion to express any views with regard to protective tariffs, but, if the proposals put before the Tariff Board in the future are anything like those that have been put before them up till now, I hope that, in the interests of the people of this country, more particularly those of the poorer classes, a similar statement will be included in the annual Budget speech of the Finance Mebmer for many years to come.

A paragraph in the Finance Member's speech which will attract a good deal of attention is that in which he states that it has been decided to frame the Budget estimates on the basis of an average rate of exchange throughout the year of s.1-4$\frac{1}{32}$, or a farthing better than the average for the current year. The careful terms in which he has discussed the matter disarm criticism. It is probable that the Honourable Member has information to which I have not access, and is therefore in a better position to make a correct estimate, but I cannot help feeling that there is nothing in the present position of the exchange market to lead one to suppose that the average for the coming financial year will be higher than in the present year. As the Honourable Member has indicated, Indian exchange is affected by many things over which we here have no control, and of which we often have very little knowledge, but the normal rise and fall from day to day is largely affected by the three factors;

(1) the quantity of export trade bills coming into the market as against the demands for remittance against imports and bullion;

(2) the London-New York cross rate of exchange, and

(3) the internal demand for money for financing local industries.

With regard to the first, the position may change at any time, but at the moment there seems to be a greater inclination to fix remittance ahead than to sell bills. That means that Indian merchants, some of whom

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possess world-wide information, apparently at the present time have the feeling that there is nothing to be lost by waiting, or in other words that exchange forward is not likely to rise against them. On the other hand, the fact that those desiring to fix remittance ahead, and they are fixing remittance ahead as far as December at the present moment, seems to indicate that they do not anticipate that, at the end of the year, the normal difference between the monsoon rate of exchange and the rate at the end of the year is likely to be exceeded and will be in their favour.

With regard to the second, that is the London-New York cross rate, this has been rising and falling for a number of months, but the tide seems after going forward not to have receded quite so far as the point at which it commenced. That means that the general tendency has been slowly but steadily upwards, and an increase in the London-New York cross rate means an increase in the value of the pound sterling, and a decrease in the value of the rupee in exchange.

With regard to the third, it is difficult to say very much at the moment. The demand for money in the country is still very strong, but it must be remembered that it commenced several weeks, nearly a month, this season after the normal time. While I do not wish to criticise the Honourable Member's forecast in any way, I have the feeling that it might have been safer not to calculate on a higher level of exchange for the coming year than for the present year.

While many features of the Budget will create satisfaction, I think there will be a general feeling of disappointment throughout the country that, after the hopes raised by the appointment of the Retrenchment Committee, it has been possible to do so little in the way of lightening the heavy burden of taxation and reducing the cost of living. We are very grateful for the small reduction in the excise duty on petrol. This duty has always been disliked by the public, because it has resulted in the curious anomaly that in India, a few hundred miles from one of the principal sources of production, the price of petrol is higher than it is in the United Kingdom. I hope the time is not far distant when it will be possible to do away altogether with this particularly irritating tax.

The duties which I have particularly in view are the 15 per cent. duty on imported stores, cutlery and hardware, and the 30 per cent. duty on motor cars. The first bears very hardly on mofussil residents who are so largely dependant on imported stores, and I hope that a reduction will be possible at a very early opportunity. With regard to the second, the time has long since passed when this was considered as a luxury tax. Changed conditions in business and in the every day life of the people have brought about the position that the motor car is no longer a luxury but a necessity. I would press upon the Honourable the Finance Member the necessity for an early reconsideration of the 30 per cent. duty if not on all motor cars at least on all but those that can still, from their design and price, be looked upon as luxury cars.

I should like if I may to refer very briefly to the salt tax. I look upon this purely from an economic point of view. I realise that to some Honourable Members it is a matter of sentiment. From an economic point of view the reduction of 8 annas per maund suggested by Government is a liberal one. I think it is generally admitted that the tax, even as it stands

now, is hardly felt even by the poorest consumers, and a reduction is possibly more likely to benefit the middleman than the consumer. At the same time if my Indian friends feel strongly about it from a sentimental point of view, I would not care to press my views. I think Government have acted very wisely in leaving the matter in the hands of the Assembly. If the representatives of Madras, the Punjab, the United Provinces and Burma feel that they would prefer a further reduction in the salt tax to substantial reductions in the contributions of their Provinces, I am afraid I must express the opinion that they are subordinating economic considerations to sentiment. I feel that their constituents may have something to say to them on the subject of mistaking the shadow for the substance.

In closing I should like to say this. I have read the Honourable the Finance Member's speech carefully and also the Budget and relative papers, and I have had the advantage of listening to the speech of my Honourable friend who represents him in this House, and my feeling is that India is to be congratulated on the fact that her finances are in such capable and experienced hands. (Hear, hear.)

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, it will not be necessary for me to detain the House very long. There are a few remarks only which I should like to make on of course Military expenditure.

(At this stage the Honourable the President vacated the Chair which was taken by the Right Honourable Srinivasa Sastri.)

I will first confine myself to certain matters to which Honourable Members in this House have referred in connection with the Department over which I have the honour to preside. I would preface those remarks by expressing my sense of gratitude to them for having dealt with my department and with the Army in a less drastic manner than they did last year, and I specially thank my Honourable friend Sir Dinshaw Wacha for having refrained from belabouring Army expenditure in the way that he did on the former occasion. In the remarks which he made this afternoon he complained of course that over a period of years the military expenditure has swelled and swelled and swelled. But I should like to remind the Honourable Member, and I would draw his particular attention to the fact that, though for a considerable number of years it has swelled, in the last year it has begun to shrink. I hope the maximum has been reached and that in future years we may see a reduced amount in the Budget. But I confess that I am in some difficulty. The Honourable Member very rightly laid down that policy and expenditure must inevitably go together. I am entirely in accord with him. But my difficulty is this, that whereas on the one hand I am doing all that I possibly can to reduce expenditure, I have continually had forced upon me a policy in which, many Members are interested, namely, the Indianization of the Army, which will inevitably lead to an increase in cost and not a decrease. I am therefore torn asunder between these two lines of policy and my greatest difficulty is to reconcile the one with the other.

Another Honourable Member has referred to the line in which reductions may be possible, and I thank the Honourable Dr. Sir Deva Prasad Sarvadhikary very much for his useful and cogent suggestions. I shall make it my business to consider them and to do all I can in the direction in which he suggests. He may have observed that in the speech that I

[H. E. the Commander-in-Chief.]

made the day before yesterday in another place, I held out hope that in the departmental, administrative and ancillary services, I looked forward to effecting some economy in the future. He definitely referred to the question of the third Cavalry Regiment. Of all the recommendations put forward by the Inchcape Committee that really, in so far as troops are concerned, is the only one in which there has been some discussion between the India Office and the War Office. You will have observed that the final arrangement which has been come to has been a division of the liability over a period of two years when the question will be once more considered. The Honourable Member has also suggested that we might employ more Indian clerks instead of British clerks in many of our offices both in the districts and at headquarters. I agree with him, and it is a policy that I have been religiously pursuing for the past two years, and I am by no means satisfied that we have reached finality. The other matters which he noted in connection with the Territorial Force and Indianization I will postpone for the moment until I have dealt with the remarks of other Honourable Members. The Honourable Mr. Natesan gave us a discourse which I am sure was full of interest, but I am sorry I did not catch the whole of his meaning, for it became a race between the Honourable Member and the clock. What I did gather was that he was extremely anxious that the military expenditure should be reduced to 50 crores. Well, Sir, my own opinion on that particular point is already recorded in the Report of the Inchcape Committee. Seeing that the Committee looked for that reduction largely on account of a possible fall in prices, notwithstanding the confidence that has been expressed in this House and which I hold myself very strongly in the Finance Member and his Department, we can hardly hope that he will be able to bring about a fall in prices within the course of the next few years which will enable the military expenditure to be reduced by a sum as large as seven crores. . . . .

THE HONOURABLE SIR BASIL BLACKETT: He would get into great trouble if he did.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Mr. Lalubhai Samaldas has suggested that it should be possible to make a further reduction in the transport services and by the Indianisation of some of the other services. Now, that again is a matter which I am quite hopeful of. Perhaps he does not realise so much as I do how very important the transport services are in war and I am endeavouring to set aside—shall I call it a reserve? It is not quite a reserve but it is transport material placed in cotton wool for use only when war comes. I want to accumulate that reserve so that, when mobilisation arrives, we may not find ourselves as deficient in transport as we did in Mesopotamia. The initial expense is of course considerable. The recurring expenditure is comparatively small. And I therefore hope that in that direction, as he suggests, we may be able to effect further economies.

Sir, it will not be necessary for me to repeat what I said in another place the day before yesterday, for I think most Honourable Members were present, and I hope that on that occasion I made myself clear. The only point which I would like to repeat here, and concerning which I desire that there should be no room for misunderstanding, is that I cannot

contemplate any further reduction in the numbers of the fighting troops. It has been suggested that, though I may not reduce their numbers, I may possibly replace, change or alter their actual composition. It is possible. I will consider it sympathetically and I will see if it can be done, but at the moment I do not see where economy is to be made in that direction.

4 P.M. There are two more points. Firstly, I want Honourable Members to realise, when they look at the large figure of military expenditure of about 60 crores, that no less than 11 crores of that consists of the non-effective vote and 9 crores of which is entirely absorbed for pensions for poor people who have been wounded, mutilated, or their families and 2 crores of it is expenditure which though it figures in the 60 crores, comes back to Government as revenue in the shape of customs and so forth which we have to pay on articles we are obliged to import. At any rate, there are 11 crores which really do not constitute a part of the expenditure of the fighting services and I think that ought to be remembered. When you take that into consideration, and when you realise that the proportion which the military expenditure bears to the total revenues of India—and I include in that of course the provincial revenues—is only 28 per cent. instead of 50 per cent. as I have heard it sometimes quoted, and when 11 crores is really not expended upon the fighting services but consists of the non-effective vote, I do not think you can say that the military expenditure is really very high, especially when you consider the enormous extent of the frontiers of India and the immense responsibilities that have to be safeguarded. When you compare India with the other Dominions you must remember, that in no other Dominion of the British Crown have you got a potential and turbulent neighbour conterminous with some 400 or 500 miles of your land frontier. In that respect India is unique. There is no other place in the whole of the Empire where the situation is similar, and it is for that reason that you always have to be prepared for immediate and serious operations in the event of a period of strained relations suddenly supervening. Furthermore, remember that this amount of about 60 crores includes not only your Army but also the whole of your Air Force and the whole of your Indian Marine, which, together, absorb rather more than 2 crores of rupees even after the reductions recommended by the Inchcape Committee have been carried into effect.

Sir, I rather doubt if I should be in order in referring to certain statements which were made by Honourable Members in another place. I believe I should be exceeding the limits of custom in this Council if I did so refer to them.

(At this stage the Honourable the President resumed the Chair.)

But, without making any direct allusion to the speeches that were made in the other place, I may observe in general that to my mind very valuable contributions and proposals were put forward and much valuable and constructive criticism was made regarding the military problem as a whole. References were made to the development, increase and amplification of the Territorial army. It was likewise said that, in view of the future development of this country on self-governing lines, the consideration and the eventual solution of this military problem was absolutely essential. Now in that I am in entire agreement. I would examine, I would experiment, I would do everything that is possible in all directions to find gradually the solution to this problem because it is of first class importance

[H. E. the Commander-in-Chief.]

to the future development of a self-governing India, and I would be only too glad if some solution could be found. I said in another place that education was the foundation and the only channel through which the Indianisation of the commissioned ranks was possible, and that is true. Therefore, the speed at which it will be possible to carry out any satisfactory scheme of Indianisation must be slow. It cannot be rapid but we can make a beginning, and I contend that a beginning has been made in the only direction through which eventual solution is possible. It exists in the Prince of Wales' Dehra Dun College of to-day. It is not enough. We want several similar colleges and we want, as one Honourable Member suggested, education before the age at which boys go to Dehra Dun. For that I have already made provision. To-day two schools are being constructed in the Punjab in the shape of the King George's Schools. The foundations were laid by His Royal Highness the Prince of Wales and I am in great hopes that these schools will be opened within a few months from now. What we find at Dehra Dun is that boys of 12 and 13, who in England would have already been several years at a private school, come to Dehra Dun without any primary education and without ever having been to school at all. Their education is of the lowest possible standard, and it is for that reason that we want to take the boys as young as possible, 7 and 8 years old, and send them to school for 3 or 4 years before they go to Dehra Dun.

Now, I will not go into the difficulties of this problem of primary and secondary education for Indian boys. Believe me—and I have examined it very very thoroughly—it bristles with difficulties; but I agree these must be faced. I am only too anxious to accept the assistance of any Honourable Member who can and will give me his help, for we must go on with this problem until in the end, by perseverance and continued effort, we eventually find a satisfactory solution.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): Sir, the Budget estimates put before this House are much more satisfactory and gratifying than those of previous years, especially because the Budget is balanced and not only balanced, but it is the first surplus Budget after the war. In previous years we had to face deficit after deficit, and I think it is due to our present Finance Minister that, within one year, he has been able to place before us a surplus Budget. Last year he was in great difficulty in balancing the Budget and he had to propose the raising of the salt duty from Rs. 1-4-0 to Rs. 2-8-0. There was great agitation throughout the country, but anyhow the duty was raised and the surplus is due to the raising of that duty and to the consequent growth of revenue, together with a great deal of retrenchment in expenditure as recommended by the Inchcape Committee. However, the surplus is there and it is most gratifying that our Budget is a surplus one. We expect a bigger surplus next year, especially through a further retrenchment in expenditure. My friends Sir Umar Hayat Khan and the Nawab of Loharu said this morning that, looking to the efficiency of the Army, there is hardly any scope for further retrenchment there, but I may assure them there is hardly any Member in this House or in the other House who wishes to impair the efficiency of the Army. We do not suggest anything that might impair the efficiency of the Army; what we suggest is that, looking to the efficiency of the Army, the expenditure should still

be curtailed. We are thankful to His Excellency the Commander-in-Chief that he has made retrenchments and that he is willing and prepared to make further retrenchments, as he has just said. If we consider the Inchcape Committee's report, we find that the expenditure on the Army can be reduced to 50 crores of rupees. I do not know whether it is possible or not, but I do think that there is still further scope for retrenchment in military expenditure. As my Honourable friend, Sir Dinshaw Wacha has said, if the Army Amalgamation Scheme is modified, if the Indianisation question as regards the rank and file and the officers is taken up seriously, then there is still a great deal of scope in this direction.

As regards the surplus, the Finance Minister has put two proposals before us. The first is that half the surplus should go towards the reduction of the salt tax from Rs. 2-8 to Rs. 2, and the other half to the reduction of Provincial contributions made to the Central Government. The second is that, if this House and the Assembly agree, the whole surplus may go to the reduction of the salt tax. I would like to suggest that, considering public opinion throughout the country, considering the agitation made last year, considering that salt is a necessity of life and the high rate at which it is at present selling, namely, 8 seers in place of 16 seers, it would be fair and reasonable to use this surplus for the reduction of the salt duty. Sir, as all of us know, this was an emergency measure last year and it was certified by the Viceroy in order to balance the Budget. But now that the time has come when the Finance Minister is fortunate enough to have a surplus, I think it is just and fair to use that surplus for the reduction of the salt duty. I quite agree that the reduction of Provincial contributions is also necessary and should be effected. But, considering the importance of salt as an article of daily consumption, I consider that the surplus should be applied first to the reduction of the salt duty and the Provincial contributions should wait till next year when we hope to have a bigger surplus, in which case the contributions from the Provinces should be reduced either in part or in whole. That will depend upon the amount of the surplus, but Provincial contributions are bound to be reduced, because in every province we find that nation-building departments are suffering from want of money, and therefore next year we shall see to that. But this year I strongly suggest that this surplus should go towards the reduction of the salt duty from Rs. 2-8 to Rs. 1-4.

THE HONOURABLE SIRDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, I should like to congratulate the Honourable Finance Member on the clear and lucid Budget he has put before the House, dealing as it does with a great many subjects and a great mass of figures with the easy confidence which betrays the hand of a master in finance. It must be a source of satisfaction to the Government as it is to this House that this year's Budget is not only a balanced Budget but it is a surplus Budget. I believe, Sir, that it is a clear indication that the era of unbalanced Budgets has come to an end, and that India has begun to tread upon a brighter and a happier pathway. The great war, which created a tremendous upheaval all over the world, was responsible for a considerable increase in our expenditure also, but now that things are settling down, it is satisfactory to note from a perusal of the Budget that our expenditure is also gradually coming down. For the reduction in the military Budget we are obliged to His Excellency the Commander-in-Chief who, as most of us know, has addressed himself to this object with a businesslike energy. Regarding the Railway Budget, I am glad to find

[Sirdar Charanjit Singh.]

that the Finance Member has proposed its separation from the ordinary Budget. Railways, like any other commercial undertakings, should be run on commercial lines. It is, I think, a step in the right direction, and I hope it will in due course be carried out. The taxes, generally speaking, are very unevenly divided, and it is to be hoped that the Taxation Committee will be able to make recommendations to improve this state of affairs and remedy these defects. It is the wish of every Government and of every Finance Member to lighten the burden of the people, if they can conscientiously do so without impairing efficiency or sacrificing the best interests of good government. The Honourable Finance Member has shown, by reducing the salt tax, that he is also animated by the same feeling. We are offered Rs. 3,36,00,000 for the reduction of the salt tax and the Provincial contributions. Both these objects are equally deserving; the main object is that even the poorest people should be benefited by the surplus, and I think that by adopting the method proposed by the Finance Member, this object will be amply achieved. I therefore strongly support the proposal made by the Honourable the Finance Member.

THE HONOURABLE RAJA PRAMADA NATH RAY OF DIGHAPATIA (East Bengal: Non-Muhammadan): Sir, I join with others in congratulating the Honourable the Finance Member on presenting what may be called a prosperity Budget. I also thank His Excellency the Commander-in-Chief for being able to make retrenchments in the military expenditure aided by his able staff and his able Financial Adviser, but we hope that His Excellency will be able to make further reductions and bring down the military Budget to the lowest level suggested by the Inchcape Committee. And we also hope that he will be able to have an advisory committee for speedy Indianisation of the Army.

Sir, I congratulate the provinces which have been fortunate enough to receive rebates in Provincial contributions, and I hope it will fall to the lot of the remaining provinces to be treated in the same way next year, if possible. While on this subject, I may take the opportunity of mentioning here that Bengal has a just claim not only to be permanently relieved of its contribution to the Central Exchequer, but also to have the apportionment of her share of revenues reconsidered, inasmuch as it was fixed under an admitted miscalculation by the Meston Committee. If Bengal has been able to show a balanced budget this year, it is only because it has made extensive retrenchments in every department continuously for the last three years, totalling 1 crore and 51 lakhs. Besides it had to take recourse to additional taxation which is undoubtedly very unpopular, and which was not contemplated in the Meston Award. It will be seen that in 1920-21 the total receipts available as Bengal's own share were 11 crores and 12 lakhs, while in this year's budget they have gone down, in spite of the new taxes imposed, to 10 crores 22 lakhs, or 90 lakhs shorter than what was available in what I may call the pre-contribution year. On the other hand, the total revenues under all heads collected in Bengal are as much as 34 crores 16 lakhs, out of which Bengal's own share is only under 9 crores, and the rest, namely, over 25 crores, Bengal has to contribute to the Central Exchequer, and this is the biggest contribution from any one province, and much more than what all the other provinces put together, excepting Bombay, pay to the Central Government. It is, therefore, obvious that, if the rebate of 63 lakhs is withdrawn, Bengal would not even have sufficient to balance its Budget, leave alone any expenditure on what is known as nation-building departments. If the

rebate had not been available, there would have been a deficit of nearly 40 lakhs in 1922-23, 32 lakhs in 1923-24 and 27 lakhs in 1924-25, in spite of fresh taxation—a situation never contemplated by the Meston Committee, I am sure. We have absolutely no cause to be jealous of any other province; on the contrary, we are greatly pleased that four other provinces have been fortunate enough to secure a rebate this year. At the same time I feel it is the duty of every representative from Bengal to try and convince the Central Legislature that we are not getting the rebate of 63 lakhs merely as a matter of grace, as some would make out, but as a result of a special recommendation made by the Joint Parliamentary Committee to the Government of India. The Meston Committee blundered in making proper calculations, as it underestimated the normal expenditure, having based its calculations on the figures of only one year, namely, 1919-20, when expenditure was vigorously cut down, as it had been during the war, and also did not take into consideration the expenses with which the province has since been burdened, amongst which the Dacca University stands foremost.

I hope, in consideration of the peculiarly disadvantageous position in which Bombay and Bengal have been placed by the Meston Award, and in view of the fact that these are the two greatest industrial provinces in India, it will be considered a matter of great importance and urgency by the Government of India to revise the Meston settlement at the earliest opportunity by a Committee presided over by one who has had no previous connection with any of the provinces of India. But so long as the revision be not possible, the Government of India will, it is hoped, not do away with the rebate allowed to Bengal and paralyse the ordinary activities of the Government, as it is no longer possible to supplement the revenue by any fresh taxation, in view of the present condition of the province, nor is any further retrenchment likely without interfering with the efficiency of the different departments of the Government.

Now, coming to the question of the salt tax, I am afraid a mere rebate of eight annas would not go far to satisfy the people, as every hope was entertained that it would be brought down to its original level of Re. 1-4 in the Budget under discussion. If the Government had any justification for the enhancement of such an odious tax last year, they have absolutely none this year, as there is no such important question present as that of balancing the Budget. It is simply amazing that the Government believe that merely by the manipulation of the dealers they have lost two-thirds of the calculated increase from this tax. But, of course, Government know better and it is difficult for an outsider to say anything more.

As to the small reduction of the excise duty on motor spirit, it is certainly a small mercy for which those who are interested in motor transport, etc., ought to be thankful; but when they remember that in pre-war days they could buy petrol in Calcutta for twelve annas and in Bombay for Re. 1 per gallon, and when they also realise that although they are in its home country they have to pay much more for it than in any other country, they will be far from grateful and will be inclined to think (rightly or wrongly) that the powerful oil ring is exercising its nefarious influence against further reduction.

In conclusion, Sir, it is very satisfactory to note that the era of unbalanced Budgets is at an end, and that the financial equilibrium has been re-established, at least so far as the Central Government is concerned.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, we find that this year Government have after all been able to balance the Budget though by mere paper entry and not by genuine revenue. The crushing taxation which has been a great burden to the country has not yet been reduced, and I shall congratulate the Finance Member when this crushing taxation is dispensed with. We are glad to see, Sir, that there has been a steady revival in trade. We have a surplus of 103 crores and 47 lakhs over our imports this year as against 62¾ crores last year and against an adverse balance of 29·60 crores for the year before last. But at the same time, although trade is reviving, the bank rate continues very high. We are very grateful to the Government for the provision made by them under the currency emergency which was meant to keep down the rate of interest and not to let it exceed 8 per cent. The Imperial Bank of India has drawn over 12 crores, which is the maximum limit under the present regulation, and even then we find that the rate of interest is going up. It is 9 per cent. now and there are fears that it might go up to 10 per cent. In my humble opinion, Sir, the fixing of the sum available at each rise in the bank rate is too rigid, so that some other suitable method should be devised.

In this year, Sir, we find that the price of cotton has been about Rs. 21 per maund more than the normal. The production of India is about 50 lakhs of cotton bales per year, and in this commodity alone an additional sum of not less than Rs. 52½ crores is to be found. So, Sir, it is quite clear that the present method of utilising this emergency currency is not meeting the demand of the country. We find, Sir, that the expenditure on the Kabul and Nepal Legations is being unjustly paid by India, and so is the expenditure on the Persian Gulf and Persia. We cannot understand, Sir, when Canada is not paying the cost of the Legation at Washington, why India should be made to pay for the Legations at Kabul, and in Nepal and Persia.

We find, Sir, that, although our convict settlement has been practically withdrawn from the Andaman Islands, our yearly expenditure on the Andaman and Nicobar Islands is Rs. 41·19 lakhs, which even if we deduct the income of Rs. 14·18 lakhs, leaves us with a net expenditure of Rs. 27 lakhs. I do not find, Sir, that there is any necessity for India to keep up this expenditure, and in my opinion the Government would do well to let these Islands make their own Colony Government.

I find, Sir, in the Postal and Telegraph estimates the contract with the British India Steam Navigation Company for carrying mails by sea to various places has been increased by almost Rs. 5 lakhs a year. This Company used to carry mails previously at the rate of Rs. 10 lakhs a year, and now that demand is Rs. 15 lakhs, and in addition the contract is for 10 years. This is due to a monopoly, and I hope the Government will see that such monopolies do not survive.

Sir, we are thankful to Government for reducing the petrol excise duty. Petrol is now a monopoly of the Burma Oil Company in India. His Excellency Lord Curzon, in his time of office, stopped the Standard Oil Company taking over the Burma Oil fields, and that was a right step which was made to avoid a combine from getting a monopoly of practically the world's oil supply. The Attock Oil Company started working in the Punjab, and we see that that Company too has been swallowed up by the Burma Oil Company. The Burma Oil Company people are able to sell petrol cheaper in the British Isles than they can in India. This requires the serious attention of the Government, and I strongly urge that, in

order to reduce the price of petrol and increase our revenue, an export duty on petrol should be levied.

As far as the military expenditure is concerned, Sir, I think that it is still heavy. We are grateful to His Excellency the Commander-in-Chief for bringing down the figure even to a lower level than what was recommended by the Retrenchment Committee, but still we find that India cannot bear this big burden. As regards gratuities to surplus officers of the Army, I may say, Sir, that for this a sum of 39 lakhs has been provided as increase in expenditure in the Army Budget. In answer to my question in this Council on the 18th February last I was given the information that the total amount paid in India on account of gratuities to permanent officers of the Indian Army due to post-war requirements was as follows:

	Rs.
During 1922-23	51,27,104
From 1st April 1923, up to 31st December 1923 .	11,37,921

In addition payments on account of gratuities and allowances have been made in England to the following extent:

	Rs.
During 1922-23 . . .	69,39,748
From 1st April 1923 to 31st December 1923 . . .	57,42,015

Thus, Sir, we find that the total amount thus paid including the 39 lakhs, which should really be 58½ lakhs as it has been calculated on a two shilling exchange basis instead of a 1/4*d.* basis—adding this 58½ lakhs to the item which I have already mentioned it gives the big total of over Rs. 2,37,96,818 which is an enormous charge and which has been practically the result of employing more British officers to meet the demands of the great war. His Excellency the Commander-in-Chief assured the House that he will do his very best to get us a proper share from the British War Office. I hope we shall get back the major part of the money which has thus been spent. . . .

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: So do I.

THE HONOURABLE LALA RAM SARAN DAS: As regards Indianisation of the Army, Sir, His Excellency has assured us that everything possible is being done in this direction. In this connection, Sir, I might say that in the case of the University Corps which have been raised in all the Provinces—even the officers in those University corps do not get any commissioned rank. I cannot understand why the students who qualify themselves in military training and who are on that account given the rank of officers in their own corps are to be debarred from getting the rank of a commissioned officer. . . . .

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: We have so far had no applications from officers in the Training Corps of Universities for permanent commissions. We have men in the Officers' Training Corps, but they have not asked for permanent commissions. Nor do I think that as a body they are anxious to accept permanent regular commissions.

THE HONOURABLE LALA RAM SARAN DAS: Do I understand from His Excellency the Commander-in-Chief that he will guarantee them permanent commissions if they apply?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I certainly cannot guarantee anything. It will entirely depend upon their qualifications and standard of education they have attained, as well as their physical fitness, etc.

THE HONOURABLE LALA RAM SARAN DAS: In case His Excellency the Commander-in-Chief is kind enough to lay down a certain standard of qualification, it will be of great use to the students who want to get permanent commissions in the Army.

Sir, nautical training is a great necessity in India, and I request the Government to move in this direction soon.

Separation of the Railway Finance from the General Budget is very desirable on principle, and I strongly advocate it.

We find, Sir, that our greatest industry in India, namely, the steel industry is going from bad to worse, and in case this industry goes to ruin, India will lose very heavily and industrial progress will get a great set back. Therefore, I urge that all possible protection should be given to the steel industry.

We find, Sir, that South African Coal and coal from other countries is finding its way into India. It will be a source of revenue to India as well as an impetus to her own coal trade if an import duty on foreign coal were imposed. The Assembly passed a Resolution to that effect, and I hope the Honourable the Finance Member and the Government of India will see their way to accept the recommendation of that representative body.

The Madras Chamber of Commerce, or the Madras Merchants Association—I do not recollect which,—have strongly urged an increase in the export duty on raw hides. From what I can find from the papers that have been supplied to me, the duty would be desirable from the point of view of Indian interests.

As regards the capitation charges and the charge for the transport of British troops, His Excellency the Commander-in-Chief told us last year that that was the subject of communication between the Government of India and the War Office. Sir, I now like to know whether any decision has been arrived at in this matter.

As regards cotton duties, Sir, I might mention that, particularly at a time when the cotton industry is not doing well, the Government should see their way to abolish these duties and to help this industry when their help is essential.

I find that there is a very heavy duty on the import of commercial lorries and solid rubber tyres. As these things are not meant for luxury, but for commercial transport, I think the Government will do well to take the import duties off lorries and solid rubber tyres.

We are glad to find, Sir, that certain Railways have introduced coupé compartments in first and second class carriages. They are very comfortable and are popular and we hope that all the railways which have not hitherto adopted the coupé compartments will now do so. A man and his wife can travel very conveniently and comfortably in such coupé compartments. I would, Sir, also mention that this will easily solve the question of not reserving compartments for Europeans and Anglo-Indians.

THE HONOURABLE THE PRESIDENT: I would remind the Honourable Member that there is very little time and there are several other Members who wish to speak.

THE HONOURABLE LALA RAM SARAN DAS: Very well, Sir, I will close my remarks. I have only one other suggestion and that is, that all our foreign stores should be purchased on a rupee basis and not on the basis of the coin of the country from which they are imported, and that the salt duty should be brought down to Re. 1/4.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN (North-West Frontier Province: Nominated Non-Official): Sir, I welcome the Budget so far as it has been put forward and I think that it is due solely to the efforts of the Honourable the Finance Member that such improvement has been made this year. I am told that the Honourable the Finance Member has taken much pains towards the working out of this Budget, but what appears to me surprising is the expenditure on Railways. This year, Sir, the expenditure to be incurred on Railways is something like Rs. 26,67,63,000 against a net receipt from the corresponding source of Rs. 30,94,93,000, whereas the revised expenditure of 1923-24 for the same was Rs. 26,90,87,000 against a net receipt in the last year of Rs. 32,37,87,000. It is quite evident, therefore, that the net receipt from Railways in 1923-24 exceeded the net receipt of 1924-25 by one and a half crores of rupees and that the expenditure on Railways in the year 1924-25 exceeds the expenditure of the last year by nearly 66 lakhs of rupees. I am at a loss to understand why the expenditure estimate of 1924-25 in connection with Railways is taken to be more than the last year when the income in 1924-25 from the same source is expected to be less than the past one. That is to say, we had expected that Railways would bring us more income and claim less expenditure, but I am sorry to realise that we were mistaken in entertaining such hopes. From the business point of view, the expenditure estimate on Railways for 1924-25 is to tell doubly on the Revenue estimate. The income is less and the expenditure is greater, which ought to be less than the actual receipt. Will the Honourable the Finance Member be pleased to explain the circumstances under which the expenditure estimate for 1924-25 in connection with Railways is estimated in excess of the last year when the income from the same for the year 1924-25 is expected to be deficient by one and a half crores of rupees. Am I to understand, Sir, that it is due to some new railways being constructed in some parts of India or on account of something else? I hope the Honourable Member will condescend to throw some light on this point.

Sir, this morning my friend, the Honourable Sir Umar Hayat Khan, advocated a forward policy on the Frontier. I for one, Sir, entirely dissociate myself from the views expressed by my friend, Sir Umar Hayat Khan. Sir, to be able to express an opinion on the frontier subject requires a life-long study. A man cannot express an opinion in a light-hearted and haphazard manner about a question of such magnitude, and a question of that nature requires very long study. My friend, the Malik Sahib, has dealt with the question in a very light-hearted manner and he thinks that his forward policy would not involve a very heavy expenditure on the Budget. I admit that India has got resources, but one point that I want to ask him is this: " Will the Finance Member give him sufficient money to carry out what he has been speaking of this morning? " To me it seems an impossibility. Consequently, I ask him, " What will he gain

[Major Nawab Mohamed Akbar Khan.]

by that forward policy?" Is the country beyond the administrative border a very rich one? Will not very heavy expenditure be incurred on the useless expedition? Will that bring in any remuneration? Will it be paying? I think not. Everything should be duly weighed before it is given expression to in this House. To perform the task about which my Honourable friend has been talking this morning is not a very easy question. We people, who live on the frontier, have studied the question, and I can assure this House that none of us are of that opinion. Last year an inquiry was made and the majority of the opinions expressed was not in favour of the forward policy. It is no use being an arm-chair expert and expressing your opinions. Your opinion must be expressed when you know the real state of affairs on the frontier. Coming and delivering a speech is quite easy. But to carry your speech into action is a different job. I hope that my Honourable friend, Sir Umar Hayat Khan, when he expresses his views again, will be kind enough to see to the expenditure side of the expedition, which will involve us in a useless and unprofitable expenditure.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): At this late hour I will only make a few remarks regarding how this Budget affects us. There are two or three things which are essential; the foremost being a stable currency. The Honourable the Finance Member in his speech in Bombay and in his replies to the Chamber of Commerce has explained his future exchange policy, but he has said little regarding giving us a stable currency. The silver rupee, as he himself told us, is a token coin on the same level as the paper rupee note. The question is nearly a century old. Stable currency is our urgent need and I want to invite the attention of the Finance Member most earnestly to this. The second question, and I will not detain the House long in explaining it, is the need of the creation of agricultural credits. It is known to everybody who has to deal with agriculture how indebted we are and how limited are our resources. What we need is agricultural credit if agriculture is to make any progress. The third matter to which I wish to draw the attention of the House is some kind of provision for the provinces to raise loans. Now when the provinces wish to raise loans, there is some kind of difficulty and they do not seem to have free access to the market. It is absolutely necessary that some kind of provision should be made so that the provinces, whenever they require money for productive works, may be able to raise money easily. I want to invite the attention of the Finance Member to another fact; it is that a very large amount of duty is collected on sugar. He might devote part of that for promoting the manufacture of refined sugar and promotion of the growing of good sugar-canes. The Finance Department in the last five years has reaped an enormous harvest from the sugar duty, but not a penny has been devoted so far as the cultivation and promotion of the sugar industry is concerned, in spite of the clear recommendations of the Sugar Committee. Then, Sir, the Finance Member has put proposals before the House regarding the use of the available surplus. He has promised large contributions to the provinces. He does not favour the reduction of the salt duty and Mr. Bell in a very clear speech supports this view on economic grounds. He said that the remission of salt duty on economic grounds is not to be considered. I am one with Mr. Bell that if the economic grounds are strong enough to prevent the remission of the salt duty, it should remain, but when you come to consider the other proposal the objection of the Finance Department does not seem to be strong. You propose to give certain sums to provinces, which after

all are not very large; it is not only men that would profit but the men and the beasts both require salt and as the Finance Member's speech itself shows, there is a fall in consumption. The men may not have reduced salt but they have possibly starved the beasts. He could not therefore do better than reduce the salt duty to Rs. 1-4-0 and abolish it some day. I will not at this stage enter into the question of army expenditure. His Excellency the Commander-in-Chief in the course of his very convincing speech gave an assurance to this House that he is most earnestly considering the question of reducing expenditure on the one side, keeping the army efficient on the other, and at the same time Indianising the services. We who have been connected with the Army for generations know what it means. We expect His Excellency the Commander-in-Chief to create large reserves and utilise the man power that is available in the country in training them for military service. The Honourable Sir Dinshaw Wacha in his speech advised us that we should really confine ourselves to matters relating to policy, and on this point before I conclude I want to say that the steel frame which India needs and which India will need whether it is made from Indian material or foreign material needs all the strength that we can give it. The steel frame is not composed only of civil servants but is really largely supported by the Army, the men who dedicate their lives to their country and are prepared to give their lives, at any moment they may be called upon to do so. But what we expect is that in making up this steel frame more and more Indian material may be used, and that the steel frame may be strengthened so that the administration of the country may continue to prosper. We must sink our differences and realize, Indians and Englishmen, that we are working for one cause only, and that cause the prosperity of India, and if we for the moment forget our differences which are not on the whole very material and work together with mutual good-will, the progress of India would be greater than it has been for the last 8 or 10 years. (Hear, hear). In conclusion, I should like to invite the attention of the Finance Member to the promotion of industries, to the promotion of agriculture, to the promotion of irrigation, to the creation of wealth rather than to the question of retrenchment. For years India has been starved. What we need is the creation of new wealth, and for that we need courage and enterprise which I think will be forthcoming if Indians and Englishmen would sink their differences and work together in the great cause.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I just wish to offer a very few observations on one aspect only of the Budget, namely, the military aspect. I must at once say, Sir, that the speech delivered by His Excellency the Commander-in-Chief has gone a long way to remove the apprehensions that were created in my mind by a newspaper report of the speech that he made elsewhere. For my part I must at once say that in desiring to offer criticisms on the military aspect of the Budget the main object of the Indian Legislature is not to belittle the great services that are being rendered both by British and Indian troops that are under His Excellency's charge, but to bring about a state of affairs under which it should not be impossible for India to co-operate, if I may say so, with the Military Department on the question of finance. Sir, the Commander-in-Chief in a speech which, if he will permit me to say so, was very lucid so far as it went, though unfortunately it did not go far enough, made his position clear by pointing out that, so far as the minor questions are concerned, he was prepared to consider them patiently, but at the same time he made it quite clear that

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unfortunately it was not possible for him to embark on any broad departures of policy involving the outlay on the army in India. In this connection he reminded the House that India had a border of about 400 to 500 miles, and that there was no country in the world which had to keep watch and ward over such a long border. Sir, the very brief reply I would make to His Excellency on this point would be that India had a border equally long in the year 1902-03, and yet, as His Excellency is well aware, the military Budget did not cost us more than 16¼ millions sterling.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: May I point out to the Honourable Member that in those days soldiers were very much cheaper.

THE HONOURABLE SAIYID RAZA ALI: In fact, Sir, His Excellency was good enough to point that out in the course of his speech to which I listened very attentively. I know that this is the contention of His Excellency the Commander-in-Chief, but in the printed speech of the Finance Member, the special attention of Honourable Members has been drawn to the tendency of prices to go down. As a matter of fact I find percentages have also been worked out. The tendency is indeed for the cost of living to go down. It may not have reached the same level as obtained in the year 1913-14, but surely the tendency is to go down. Therefore, Sir, let us see what the present Budget amounts to. As I have mentioned, we started in 1902-03 with a military expenditure of £16¼ million. It is instructive to note that this went up in 1913-14 to £19¾ million. I am speaking of course in round figures. Then five years later, namely when we take the year 1918-19, we find that the Military Budget stood at £44½ million, more than double the sum of 1913-14 and in the present year, when the Finance Member has exercised all his skill, all his ingenuity, to bring down the Military expenditure, we find that it amounts to no less than £40 million. Sir, I do not think it is a valid contention to urge that the cost of living is solely responsible for this enormous and tremendous rise. What, Sir, has been the military expenditure in England in recent years? We find that if we take the case of the Army alone—as we know, there defence consists of three arms—we find that although in 1922-23 the budgeted figure was £62 million, it went down in 1923-24, namely, the current year, to £52 million, a decrease of £10 million. Coming to the Navy, we find that starting with £82 million in the year 1921-22, it went down to £64 million in the next year, and again there was a decrease to £61 million in the year 1923-24, namely, the current year. I have taken the Budget figures, Sir. I have no doubt that when we get the actual figures, it will be found that a more considerable reduction has been effected under these two arms than is shown by the figures I have given. I am not unmindful of the fact that a small increase in the British Budget has taken place in the case of the Air Force, but that increase is by no means a considerable one. The increase amounts to £2 million, whereas the savings that have been effected amount to more than £31 million. Sir, having these figures before us, knowing, as we do, that Germany has gone, that Russia is lying low, that Japan is a friend of the British Government, and that with America we have not only no quarrel but we have no cause of quarrel in the years to come. May I ask His Excellency the Commander-in-Chief is it fair, is it just, is it reasonable, to insist that India's Budget, even in a year of favourable conditions like these, should not amount to less than £40 million, namely, Rs. 60 crores? I say, Sir, that that figure

gives every true lover of India serious cause for anxiety. The real question that will have to be decided by the Government in consultation with the people is, who is to decide how much money should be spent on our defence? Sir, let me make it quite clear that I am not one of those who would exclusively give the power of deciding this point to even a distinguished soldier like His Excellency the Commander-in-Chief. Sir, it is for the representatives of the people and the Government of this country to decide as to how much money should be spent on defence and it is for His Excellency to decide in what manner that money should be spent, how much of it should be . . . .

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: May I just say that it is also the Commander-in-Chief's duty to decide whether this country is adequately defended or whether it is not. I speak with a full sense of responsibility, and I hope the Honourable Member will appreciate that I am the responsible person who has to advise the Government.

THE HONOURABLE SAIYID RAZA ALI: Sir, there is not a word that I have uttered without being deeply sensible of its meaning . . . . . .

THE HONOURABLE THE PRESIDENT: I must remind the Honourable Member that many other Honourable Members still wish to speak.

THE HONOURABLE SAIYID RAZA ALI: I am sorry. I will leave it at that. I appreciate every word that has fallen from His Excellency. But this, Sir, is a question of principle. It is for His Excellency to advise and decide on methods of defence that India should employ. His Excellency's advice on this question would be entitled to our highest respect; but I submit, Sir,—and that is where I differ from His Excellency—it is not for him to have the final word on the question, and that is the crux of the whole matter. That is the question that will have to be fought out one day. It is for the representatives of the people to say "We give you so much money; please employ it to the greatest advantage of the country." It is for His Excellency to say how much should be spent on the air force, how much on cavalry, how much on infantry, and so on. Therefore, Sir, I would wind up only by saying that our present military expenditure is a very serious matter. I again say that I am not prepared to take His Excellency's speech, sympathetic though it was, as the last word on the subject, and I expect and the country expects His Excellency to bring down the Budget to the figure recommended by the Inchcape Committee, namely, 50 crores, and not a pie more than that.

THE HONOURABLE DR. DWARKANATH MITTER (West Bengal: Non-Muhammadan): Sir, I join heartily in the congratulations which have been offered to the Honourable the Finance Member on the very interesting Financial Statement which he has presented to the Council this year. After several lean years which have been years of recurring deficits we have been presented this year with a Budget which shows a real surplus of 3 crores 36 lakhs. With such a large surplus at his disposal one would have expected the Honourable the Finance Member would recommend the reduction of the salt duty from Rs. 2-8 to Re. 1-4 per maund—the duty which existed before it was doubled to meet an extraordinary situation, namely, the balancing of the Budget of 1923-24. This was all the more necessary as the doubling of the salt tax was in the teeth of the opposition of the Legislative Assembly and of ten Honourable

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Members of this House. I venture to think that it is by no means prudent or desirable to keep on a tax after the necessity for its initial imposition has ceased to exist. The taxation was, as I have already indicated, resorted to at a time when the Government found itself face to face with what it considered to be a grave financial difficulty in order to enable it to balance revenue and expenditure. Such taxation ought to be continued only so long as this strained state of finance lasts. Sir, to retain a tax so imposed side by side with a large surplus seems to be opposed to all the received canons of good finance. Nothing can be more indefensible than to raise from the people a larger revenue than is fairly needed for the requirements of the people. Major Baring (afterwards Lord Cromer) when presenting the Financial Statement of 1882-3 said:

"It is of course desirable to estimate for a moderate surplus. But to keep on taxes in order to secure too large a surplus is unjustifiable."

It seems to me, however, that the Honourable the Finance Member would have recommended the reduction of the salt duty to its original level had he not allowed the issue to be complicated by the consideration of the necessity of reducing the Provincial contributions. The Honourable the Finance Member, it must be said in fairness to him, recognises the soundness of the position that the question of the reduction of the salt tax is to be looked at from a standpoint which includes considerations wider than those which are purely financial and economic. The Finance Member states rightly enough that it is a national question which ought to be looked at from a national standpoint. But he is not prepared to give *full* practical effect to it by following it to its logical consequences. He would give partial effect to it by reducing the duty to Rs. 2. Sir, in a country so poor as India is, it is essential that the weight of public burdens should be kept as light as possible. The salt duty question in India is essentially a poor man's question, for it is the poorer many—and not the richer few—who eat more salt when it is cheap and less when it is dear. Rs. 2 per maund is indeed a very heavy tax on a prime necessary of life which, as a distinguished political economist said, should be as free as the air we breathe and the water we drink. To my mind a low duty on salt places at the disposal of the Government a valuable financial reserve, and it is now beyond cavil or controversy that the relief accorded directly benefits the poorer classes of the community. The Honourable the Finance Member observes:

"We can if we like reduce the salt tax to Re. 1/4 but by doing so we do a definite disservice to the true interests of Indian finances."

Sir, in these observations of the Honourable Sir Basil Blackett I can discern the underlying idea of belief that the imposition of a tax of Rs. 2 on salt does not press very heavily on the people and that the opposition, which he must then have anticipated would be one based on sentimental reasons or other reasons than economic. I can assure the Honourable the Finance Member that my grounds are neither sentimental nor political. The reduction of the salt tax to its original level will be appreciated in the millions of Indian homes where even common salt is regarded as a luxury. In lightening the salt tax the Government would lighten in no small measure the hard destiny of the toiling masses who constitute the real people and who ought to be their first care. A distinguished and bril-

liant Viceroy of India while referring to the salt tax as the tax that touches all classes down to the very humblest said:

"My view has always been that, as the revenue of this country comes in the main from the people of the country, it is to the people that the disposable surplus, if there be one, should return. And who are the people of whom I speak? They are the patient, humble millions, toiling at the well and at the plough knowing little of Budgets, but very painfully aware of the narrow margin between sufficiency and indigence. It is to them that my heart goes out."

I can only earnestly trust that the Honourable Sir Basil Blackett will feel for the toiling millions this year as the Viceroy felt and will reduce the tax to its original level. Let him look at it from the National standpoint which is not to be gauged by the benefit which some provinces receive—but which is to be judged by the measure of relief granted to the toiling masses of India who, as I have already said, constitute the real people. I fully realize that the Honourable the Finance Member's recommendations for a partial reduction may be justified by his anxiety about the future of India's finances. The Honourable the Finance Member feels that the effect of the reduction to Re. 1/4 would be that there would be no surplus to be utilised for the reduction in the Provincial contributions and that the Department of Sanitation and Education in some of the Provinces would be neglected and the improvements necessitated by the reforms would be retarded. It is quite likely that such a result might follow; and the Honourable the Finance Member will have to look to other sources for Provincial contributions if the Provinces cannot do without them. I can however make only one suggestion and that is this. The 2 crores which are held in suspense pending the decision of the Privy Council might be utilised for meeting such emergent expenditure which may be absolutely necessary for carrying on the administration in any of the four Provinces who would have got the reduction in their contributions in case the duty was reduced to Rs. 2 per maund. For it is not likely that the Privy Council will decide before the beginning of the next financial year. I am not unmindful, however, of the criticism to which this arrangement might be open, namely, you cannot base permanent reductions in the Provincial contributions on money which is available on certain contingencies.

The next question to which I desire to direct the attention of the House is the somewhat perplexing question of the separation of Railway finance from General finance. What the effect of the separation will be has been explained at page 211, paragraph 40. I need not quote from that.

The merits of the new settlements proposed are explained therein and in the opinion of Sir Basil Blackett there is no reform which offers greater attractions and greater benefits to our finances and our Railways alike I am also not unmindful of the recommendations of the Acworth Committee which favours separation. But one serious obstacle to the change proposed is the provision of the Government of India Act, which renders it essential that all the Railway expenditure must be considered by the Legislative Assembly and their vote taken with regard to the said expenditure.

THE HONOURABLE SIR BASIL BLACKETT: There is no obstacle, Sir.

THE HONOURABLE DR. DWARKANATH MITTER: Will you kindly listen to the next sentence. This provision which is contained in section 67A (5) of the Government of India Act, is absolutely inconsistent with separation, and I do not think that this new system can be given effect to without the amendment of the Government of India Act in this behalf. But it is said that the object might be gained by the establishment of a convention by which the Assembly will continue to vote the money for the

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Railways in a form but they will not in practice require of the Railways strict adherence to the figures laid down annually in advance. To me it seems that you cannot through the medium of convention override the intention of the Legislature. In England the conventions of the constitution make up the constitutional morality of the day. They are all constantly acted upon and since they cannot be enforced by a court of law have no claim to be considered laws. They will be found, however, on careful examination, to possess one common quality or property. They are all rules for determining the mode in which the discretionary powers of the Crown or of the Ministers as servants of the Crown ought to be exercised. The Statute gives no discretion to the Legislative Assembly in the matter. It is not a mere matter of legislative procedure which you can change by means of a convention. For this view I have the high authority of Professor Dicey who is a great authority on constitutional law. If reform is needed it can only be by legislation. But, assuming, Sir, the legal objection can be met, one would be tempted to think that the authority of the Legislative Assembly over the Railways would be sensibly diminished.

THE HONOURABLE THE PRESIDENT: Order, order, when I called upon the Honourable Member very late in the evening I had no idea he intended to read a written speech. I supposed he was going to make a few remarks.

THE HONOURABLE DR. DWARKANATH MITTER: I would indicate this. It seems there was a sensible diminution of the powers of the Legislative Assembly. It is a subject on the merits of which I can only speak with diffidence. If the reform means an abrogation of the powers of the Legislative Assembly or the Government of India in any way, it has not my support.

The next thing I wish to say is with regard to Provincial contributions. It seems Sir Basil Blackett has not considered the case of Bengal and its plight under the Meston award. Whereas he allows permanent reductions from other Provinces, he only refers in an indirect way to the question of Bengal's permanent reduction.

With regard to military expenditure, I have only one word to say, that we appreciate the spirit in which the matter has been approached by His Excellency the Commander-in-Chief. There is a general demand that military expenditure should be further reduced, and I feel sure that His Excellency the Commander-in-Chief, who must have noticed the almost complete unanimity of the opinion of this House that there should be further reduction, will co-operate with the House in this matter.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, twice during the course of the delightful hour which was devoted this morning to eulogies on yourself on the occasion of your new appointment, you rather basely, as it seemed to me, tried to find an escape from the sincere praises of your friends through attributing to me an insincere desire to get immediately to the discussion of the Budget. I did not intervene at the time, though I should have liked to have done so, because I felt I should have been intruding on a happy family gathering and I might have made myself unpopular had I gloated over the capture that had been made for the other Council to which I belong and for the other House to which I belong.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I hope you will spare the Honourable Member for this Council.

THE HONOURABLE SIR BASIL BLACKETT: I should like, although it is a little past the time, to join in hearty congratulations to everybody but yourself on the acquisition that has been secured for the Government of India and the Home Membership.

I will not say very much more about the subject of military expenditure which has taken up a considerable portion of the discussion in this House. I should like first to refer to the remarks of the last speaker but one who drew attention to the fall in the total expenditure on the Army Budget in England during the last two or three years. He seemed to think that what we had done in this country compared very unfavourably with the results in England. It is a common bit of rhetoric I find to talk about the ever growing military expenditure in this country, the continually increasing burden. I should like to repeat some figures I have already given elsewhere. The actual expenditure in 1920-21 was 87 crores 38 lakhs net military expenditure. In 1921-22 it was 69 crores and 81 lakhs. In 1922-23 it was 65 crores and 11 lakhs. In 1923-24, according to our latest estimate, it is 59 crores and 74 lakhs. That is a reduction from 1920-21 to 1923-24 of no less than 27½ crores. If still stands at a high figure, Sir, as I have said elsewhere, but I cannot pass the continued statement that we have an ever-growing military expenditure.

The subject of the separation of Railway from General Finance has been mentioned by several speakers. I think that every one, except the last speaker, has been generally favourable to the proposal. I should like to assure the last speaker that we have also high legal authority for believing that what we propose is entirely possible within the limits of the Government of India Act. In the second place, I should like to say that there seems to be a misapprehension in some quarters among those who are hesitant about this proposed change, as to its effect on the control of the Finance Department of the Government of India over the Railway Department of the Government of India and of the control of the Assembly over the Railway Department. Now, Sir, no change whatsoever is being proposed in the extent of the control either of the Finance Department or of the Legislature. On the contrary it is my belief that with the changes that have been made last year in the appointment of a Financial Commissioner of Railways, in accordance with the recommendations of the Retrenchment Committee, and with the working out of those changes in connection with separation, the control of the Finance Department over the Railway Department finance has been very greatly improved. That is certainly the view of the Commerce Member who gloats over the fact because he knows its value; and it is certainly my view. The change that is proposed—the essence of the change that is proposed—is that that control should no longer be exercised by the Finance Member and the Finance Department for the purpose of raiding the railways for the benefit of general finance, but that it should be exercised for the purpose of enabling the railways to earn their money at less expense and carry on the services which they carry on for the country and its transportation at a cheaper rate and give better service. It is the purpose for which control is exercised that is to be changed—nothing else. There is no change in the extent of the control. On the contrary, I believe that both the control of the Finance Department and the control of the Assembly, as it will be worked out, will be increased. But it will not be exercised simply for the sake of obtaining money from the railways which those railways have not really earned.

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That has been the difficulty. For years we have taken money from the railways which they have not earned and occasionally railways have come back to us and taken money from us at a time when we badly wanted it, because, owing to previous under-expenditure, they were in a condition that did not allow them to go on paying us the amount that we hoped to get from them. The subject is a technical one, and I do not wish to go very much further into it to-day, but I do assure the House that that is the kernel of the matter. It is to run the Railways for their primary purpose, to transport passengers and goods at the quickest rate and at the least cost that is compatible with the essential requirements, and at the same time to secure that the railways should pay to the State a fair return on the amount which it has invested in those Railways. I lay down three propositions: the first is that the railways of a country should not be subsidised by the taxpayer; the second is that the railways of a country should not be used as a method of indirect taxation; and the third that would follow from these two, would be that the railways, if they are in the hands of the State, should pay annually to the State in addition to the full amount of interest on the capital invested in those railways by the State, some further contribution in view of the fact that the State lends to the railways its credit and that the State would obtain income-tax from those railways if they were in private hands, but that after paying the whole interest and an additional contribution, anything further that the railways can earn ought to be used either for cheapening transport or for improving it. I was very much interested to find so many Members referring to this subject and to the subject of debt reduction, because I believe that one of the most important things that we have to do, if we want to go ahead, in order to put our finances finally in order after the disturbances caused by the war, is to deal with these major problems which, as I said in my Budget speech, are of an importance which extends far beyond the immediate year ahead of us. As regards the subject of debt reduction, it has been suggested by several Members in this House that they would like to have an opportunity of discussing the subject at somewhat greater length than it was possible for them to do under your stern guidance to-day, especially as a good many of them had other subjects to speak on as well. That is a matter on which I can express no opinion, but I see no reason why, if an Honourable Member wishes to have the subject discussed, he might not make arrangements, at any rate in the September Session, by a Resolution on the subject to bring the matter before the House.

The criticisms that have been made, I think, were chiefly those brought forward by Mr. Bell in a speech on which I should like to congratulate him and the House. I stated in my Budget speech that the periods which were suggested were not the only possible or the only reasonable ones, and he suggested slightly different ones. I will not enter into the general question. But I should like to ask him, with reference to New Delhi whether his suggestion to spread it over thirty years is his final view, when he considers that the generation that is to come will certainly have to pay extra expenditure for the upkeep of New Delhi and ought not therefore to be charged for very long with interest on the money spent on building it. (*The Honourable Dr. Sir Deva Prasad Sarvadhikary*: "Is thirty years the life of New Delhi?") I hope that New Delhi will live for ever. But I do not think that the taxpayer who has to pay the extra cost for the occupation of New Delhi should also be expected to repay the whole of the original cost of building it. Another subject connected with debt was mentioned by

think by Mr. Sethna; the non-expenditure of the special additional provision of 80 lakhs of rupees for depreciation funds. Now, the position as regards that is that, under our contract with the holders of the two 5 per cent. loans, we have to set aside each year a certain sum of money to be applied in purchasing that debt in the market when it stands below its issue price. One of these issues stands well above its issue price. We cannot therefore use the obligatory depreciation fund for the purpose. The other is rapidly inclining towards its issue price and I do not think that, in view of the fact that we have a continuous programme of borrowing at present, we ought necessarily to be in a hurry to push it up above the level of its comparative level with other stocks simply because we have a large sum in hand. Surely a depreciation fund which exists for the purpose of keeping up the price of stock ought not to be accumulated unduly. When we are unable to spend the whole of the contractual fund, is it necessary to make special addition to it? It might be suggested that it is desirable to divert that special 80 lakhs to the general sinking fund. I do not think that was Mr. Sethna's suggestion. If it was, of course it would mean that we should be embarking on a programme of dealing with our debt at a rate considerably faster than the rate which I have suggested tentatively on the basis of the figures included in my Budget speech.

Mr. Samaldas spoke about the post office cash certificates and the possibilities of encouragement of co-operative and industrial banks. Now, it is my belief that nothing succeeds like success, that post office cash certificates, by encouraging the habit of saving, automatically increase the popularity of other methods of saving. That I think has been the experience all over the world,—that encouragement of saving in one direction improves the general tendency to save all round. That certainly was the experience of England during the war when the campaign for the sale of national savings certificates was carried on, and it is also true since the war. It does not result in any reduction in the deposits in the post office and other savings banks, in a reduction in the amounts that were invested in the building societies and the co-operative societies, but it brings about a general increase all round. The campaign for saving which brought in hundreds of millions into the cash certificates did not take money away from other forms of saving but increased the tendency to save. I gather that Mr. Lalubhai's point was that it would be desirable that we should spend more money, that the Government of India should spend more money, on providing working capital for agricultural banks and industrial banks. I hold strongly, Sir, that it is not the function either of the Government of India or of the Imperial Bank to find the working capital for industrial enterprises. It is their duty no doubt, in certain directions, to encourage industrial enterprise of all sorts, but the use of Government money to bolster up every kind of institution, to make people expect Government assistance instead of relying on self-help, is, I believe, not the way to secure enduring results.

Mr. Lalubhai Samaldas asked also how much of the 2 crores which we shall have to pay back to the railways in the event of the judgment of the Privy Council going against us will come back to the Government. I have not got exact figures, but a good part of it will go back to the railway companies. What does come back to the Government will mostly come back in the form of a reduction of their capital expenditure. It is a payment out of our income of last year. What comes back will be mainly in reduction of the capital expenditure on the railways. It does not come back as income to any large extent.

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Mr. Samaldas went on to suggest that the 3 crores which require to be written off from the value of the stores held by the Railway Department ought to be charged against the revenue of next year, 1924-25, and that it is unsound to spread it over a period of ten years. He further asked why in the Railway Memorandum a period of five years only was mentioned whereas ten years is mentioned in the Budget speech. The reason for the last difference is simply that the Railway Department were only budgetting for five years ahead. They were only dealing with a five year programme. They believe that it is quite probable that, granted the railway separation, they will succeed in paying off the whole of the 3 crores out of the surplus profits within five years. There is no difference of intention between the two statements. As regards the question of the soundness or otherwise of the proposal, I am delighted to welcome Saul among the Prophets. As far as I remember, last year he was not quite so certain about the soundness of providing a Budget balance and had even some belief that if he could not find it in better ways, we might possibly find it by charging to capital things that we had hitherto charged to revenue But I am delighted to welcome him and to see that the leaven of last year is working. But I think that I can answer his suggestion. That 3 crores is in reality an addition to our accumulated deficits. That is really what has happened. It is really a concealed addition to the deficits that have been incurred since the war. We only discovered it this year, but it is a concealed addition and I think that it is reasonable, when you are spreading over a period of 25 years according to my suggestion (or even longer according to other suggestions) the repayment of those deficits, that you should in this particular case make a provision which does not charge the sum against the revenue of this year only, but spreads it over a maximum of ten years. It must be remembered that it is a purely book transaction. The money has been spent; the goods have been bought; they have been held in stock, but their value is not what was spent on them. It is really a loss that has been incurred in actual fact. It is not a new payment of 3 crores which we provide by borrowing.

THE HONOURABLE SIR MANECKJI DADABHOY: Can you not dispose it off by auction?

THE HONOURABLE SIR BASIL BLACKETT: The question of the disposal of the stores is a quite different one. I am afraid that some of them will have to be disposed of by auction and I hope Sir Maneckji Dadabhoy will be willing to buy some of them.

I come now to a series of connected subjects, exchange, the question of expansion of currency and the credit to revenue of that part of the Gold Standard Reserve which is in excess of 40 million sterling. As regards the latter the arrangement made after 1920 in accordance with a suggestion of the Babington Smith Report was that any portion of the Gold Standard Reserve, in excess of 40 million sterling that is all the automatic increases in the Reserve caused by the earnings of the securities in which it is invested, should be used for cancelling what are known as the created securities in the Paper Currency Reserve or more popularly for the purpose of deflation. Last year—in the Budget for the current year—it was proposed and accepted by the Assembly and by this House that allocation of this particular sum to contraction of the currency should not be continued for the year 1923-24, but that the sum in question, which is cash actually coming in, should be used as part of our revenue in the same way as had already been done in the case of the earnings of the Paper Currency Reserve

about which a similar suggestion had been made by the Babington Smith Report. Now we have learnt a good deal about currency that we did not know at the time when the Babington Smith Committee issued its report, but I think it is sufficient for me to say without arguing the matter that at the present moment to go in for special deflation by paying in rupees in this country and cancelling rupees against the earnings of the Gold Standard Reserve is not a desirable proceeding. It has exactly the opposite effect to that expansion of the currency which several Members have been speaking about to-day. We ought to be free, I think, to effect a contraction of the currency with reference to the requirements of the market and not simply on a formula without reference to those requirements. Had we been using the formula that was in force two or three years ago we should have had to contract the currency rather violently by 6 or 7 crores this year just at a time when it was being expanded under the Paper Currency Act of last summer and being further expanded by the issue of paper currency in this country against sums remitted Home. More than one Honourable Member mentioned the question of exchange. I do not think I can add anything to the absence of reasons which I have given for fixing on 1*s.* 4$\frac{3}{4}$*d.* as the best shot that can be made for Budget purposes. Anything that I say might be quoted in evidence against me. But as regards the question of the methods of remittance it was suggested that it was not desirable to effect large remittances in the winter because at that time we are taking money from this country when it is required for the purposes of the trade and business here. My answer to that is that, first, remittance of money to London does not take it away from here because it is only a remittance transaction. Secondly, remittance of money to London is a method by which we have been able to expand the currency by 12 crores, by way of special addition to the currency during the winter against sterling in London. That is a perfectly legitimate expansion at a time of stringent money conditions, made possible by the very fact that we have effected our remittances in excess for the moment of our absolute needs in London. By doing so, as the House is aware, we have been able to build up a position of considerable strength in London which makes it possible for us to avoid, as everybody will agree to the great advantage of this country, the necessity of any external loan this year.

On the question of the expansion of the currency on the stringency which has occurred in the money market I think I must confess that it is a subject which is so difficult that it is almost impossible to deal with it even reasonably satisfactorily in this speech. We made a fresh experiment last summer in passing a Paper Currency Act increasing from five to twelve crores the maximum that could be advanced from the Paper Currency Reserve to the Imperial Bank in time of need against *hundis*. As a matter of fact it would not have helped us if we had passed a higher maximum than 12 crores because the Imperial Banks have the greatest difficulty in securing the necessary amount of *hundis* as it is, so that 12 crores would have been a practical maximum even if the legal figure had been higher. But, as I have said, we have been able to add to that expansion a parallel expansion of 12 crores by the creation of a paper currency against sterling in London making the total expansion during this winter 24 crores. Yet, in spite of that expansion, the money market has been in a position of even greater stringency than a year ago. What is the cause of that stringency? The simple answer is that we live in the northern hemisphere, that crops come in and have to be paid for in the autumn and during the winter when they are being moved, that currency goes up country and a larger amount

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of currency circulates at that time. The reason for special stringency this year, as far as I can make out, is that the price of cotton was particularly high and that for some reason, whether because it was not a good marriage year or on some other account, the amount of bullion offtake has been less than might have been expected in a period of such prosperity. The price of cotton has affected the situation in two ways. First of all, it has caused a larger amount of cash to go upcountry to pay for the cotton owing to the price being high, and secondly that money has come back more slowly because, cotton prices being high, cotton manufactured goods have been high and people have been less willing to buy them. The only ultimate solution of this problem is I am sure an improved banking situation. Until the average agriculturist is in the habit of taking his cash to a local bank so that it no longer becomes locked up for months but is in circulation all the time, we shall have this problem with us. Certainly the situation requires very close watching. We have still the final experience of the year to come through, we still have to find out how contraction is to be effected and in what way it will react upon market conditions, because, as I have said, we have expanded the currency by 24 crores and, if we are going to contract it by a corresponding 24 crores during the summer, the market will be seriously interested in the effect that such contraction will have.

On the subject of the Tariff Board's report, I do not think I can say more than that we have just received signed proof sheets of that report. So we are just in the position of having received the report.

Several Honourable Members referred to the price of petrol and to the reduction in petrol duty. I should like to correct one mis-statement that was made. The price of petrol in London to-day is higher than the price in India if the excise were excluded; that is to say, the difference between the price in London and the price in India is less than is represented by the six-anna excise duty here. This is partly due to the recent rise in price in London. But we may well hope that the difference between the prices in the two countries will shortly be made even smaller, as presumably the reduction of 1½ annas in the excise duty will very quickly be reflected in a reduction of the price.

Mr. Bell asked some question about the effect of the Inchcape Committee's reductions; he drew attention to some discrepancies, as they seemed to be, between our statements as to the effect that had been given to these reductions and the figures which he noticed. I have already said that in the case of the military expenditure we have in fact given effect to slightly larger reductions than were recommended by the Retrenchment Committee,—we have done a little better than the Retrenchment Committee's figure, up to date. His Excellency the Commander-in-Chief was left a certain amount of discretion in the matter, and, though in some cases he has not carried out the exact reductions recommended by the Retrenchment Committee, he has been able to find others, so that the total effect on the military Budget is that a larger reduction has been made than was actually recommended, than was specially recommended, by the Retrenchment Committee. I need not enter into the disturbing element of the 2¼ crores of non-recurrent reductions in the military expenditure which were made last year and which could not be repeated this year, which makes the comparison between the two years a little intricate. On the Civil side, I think it is also true, though I have

not got the exact figures, that in the estimate for 1924-25 we shall have made the full reduction, so far as value is concerned, recommended by the Retrenchment Committee, and possibly a little more. I have no doubt, though I have not looked into the actual discrepancy, that the explanation of the discrepancy to which Mr. Bell draws attention is that some part of the Incheape Committee's reductions were definitely non-recurrent, in particular, the reduction in the programme revenue expenditure of the railways. That was definitely non-recurrent. If allowance is made for that, and for the increase of, I believe, over 4 crores in interest charges as compared with 1922-23, the discrepancy is probably more than fully explained. The difference between the railway figures for this year and the last year, to which attention was drawn by the Honourable Member behind me, is also explained I think mainly by that non-recurrent cut that was made last year in programme revenue expenditure. That was of course simply a postponement of absolutely unavoidable expenditure; it was simply postponing making good, keeping up to the mark, our railway properties. It is a sort of reduction that may be justified in a real emergency but which has to be made good afterwards, and it is that sort of disturbing element in our annual Budgets that we hope we shall get rid of by the proposals regarding separation.

6 P.M.

I am not sure whether the House will desire me to say more than what was said yesterday in another place in regard to the Secretary of State's alleged condemnation of the salt tax. But I do think that some of the things that have been said here to-day are not entirely fair either to the Secretary of State or to the Government of India. Let Honourable Members bear this fact in mind. The Budget of the Government of India was fully known to, and approved by, the Secretary of State; their recommendations, including their recommendation—a strong recommendation—of a two rupee salt duty had received his full approval and support. Yet he is supposed to have got up almost on the day on which the final proposals in regard to this year's Budget were committed to the printer and to have condemned the salt tax. Now, is it conceivable that that was done? The Secretary of State says that he had not for a moment any such intention in mind. Honourable Members say that there has been some kind of backstairs influence brought to bear. I ask them, is it conceivable that a Secretary of State would intentionally get up and condemn as an iniquitous and a horrible impost a tax which just at that moment he had authorised the Government of India to introduce and indeed to recommend to the Indian Legislature with his full support and approval. It is quite inconceivable to me and I have no doubt that the Secretary of State had been entirely misunderstood. I am afraid that a good many Members of this House suffer from the same bad education in history which the Secretary of State has outgrown. He said that he had been brought up to believe certain things about salt duties in general, that it had been ingrained in his brains that a salt duty was a wicked thing but he did not say, and never for a moment meant, that when he had grown up he had not put away that childish belief. I think the difficulty in India is that people are unwilling to face the true facts. Because they have grown up in the belief that a salt tax is something objectionable, nothing will convenience them ever to begin even to consider in their minds whether that is true or wholly true. It has been said to me by a gentleman, whom I will not name because it will be unfair to him but a very well known and respected Indian Member of the Legislature, that

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the fact is that this belief in the wickedness of the salt tax is an ineradicable financial heresy in India. The Government of India put forward proposals dealing with their surplus of 336 lakhs, which I notice one of my Honourable friends, I think it was Mr. Sethna, said was not a real surplus, because we overestimated our revenue. The Government of India have put forward proposals for dealing with that surplus by dividing it as to 180 lakhs in the reduction of the salt duty to Rs. 2 per maund and as to Rs. 150 lakhs in making a beginning in reduction of Provincial contributions. Various views have been expressed in this House as to that proposal to-day and I am glad to notice that the fact that the problem is a problem which has to be considered—and considered on its merits—and an answer given—has been recognised in this House more generally than (I was disappointed to observe) it was recognised in another place. Mr. Natesan gave us a boiling torrent of prepared oratory, the gist of which was a little difficult to catch, but the conclusion to which the torrent boiled down, as far as I could see, was that it was wrong of the Government to have given the responsibility to the Assembly, that they ought to have taken the responsibility upon themselves and that the salt tax was bad and Provincial contributions were bad and we ought to use the whole of the money for both purposes. He did not explain how we were to get the money, except by a general statement that military expenditure must be reduced. Now, I quite understand the desire of this House for a reduction of military expenditure. But does anybody in this House believe that, if the most ardent demands of the most ardent Swarajists were accepted to-day, it will be possible to reduce the military Budget for 1924-25 by an anna?

THE HONOURABLE SAIYID RAZA ALI: I am not a Swarajist, but I believe it can be reduced.

THE HONOURABLE SIR BASIL BLACKETT: On the contrary, I believe, and this has been said by more than one Member of this House, that the immediate effect would necessarily be an increase of expenditure. If you are going to get this Indianised army—and I do not for one moment suggest that it is not most desirable or that it should not come as early as possible—it is necessary that I should try and place certain facts before you. For this army, education is, at any rate, urgently necessary and money must be spent on education. Mr. Lalubhai Samaldas, I think, actually said that he would be willing to give more money for this purpose but he did not say where it was to come from. (*A Voice*: "By fresh taxation") Fresh taxation, presumably. So long as we are dealing with the problem of 1924-25, though I quite recognise that in this discussion the discussion of the Indianisation of the army and its ultimate expenditure is quite relevant, any suggestion that we can get more money by reducing military expenditure this year is, I honestly believe, illusory. We are engaged in a process of bringing down our military expenditure. Instead of ever growing it is ever diminishing for the last four years. We hope to bring it down further but it can only be done gradually. Therefore, relevant as the subject of military expenditure is to this debate, any suggestion that miracles can be achieved in other directions this year by the reduction of military expenditure does not hold water. It is no good looking to reduction of military expenditure in 1924-25 to find money for reduction in Provincial contributions or to find money with which to reduce the salt tax.

THE HONOURABLE MR. PHIROZE C. SETHNA: In how many years, then, does the Government expect to bring it down to 50 crores?

THE HONOURABLE SIR BASIL BLACKETT: I do not suppose that I shall be Finance Member for so long. So I do not want to bind my successor to any promise.

THE HONOURABLE MR. G. A. NATESAN: What is the rate at which you yourself will reduce it?

THE HONOURABLE SIR BASIL BLACKETT: If you look at the expenditure for 1922-23 you will find that military expenditure was 65 crores. It was 59 crores in 1923-24. Is not that fast enough? But I will make one prophecy that it will not go on going down as fast as that. Obviously it is a question of time and good-will. It depends on the course of prices, among other things, but not entirely. Although it would be very attractive to begin a campaign for a reduction of prices in order to reduce the military expenditure, I do not think that Mr. Sethna would approve of this method. Prices must be left to follow natural courses. But I do quite sincerely draw attention to this fact that those in this House who have spoken on this subject and have recommended a tax of Re. 1-4 on salt have, I think, confessedly done so on grounds which are something other than economic. It is not that they hold that the retention of the salt duty at Rs. 2, which would add only one and a half anna per head per annum to the expenditure of each member of the population, involves an appreciable burden upon the taxpayer. 1½ annas per head, per annum, is all that is involved in the difference between the rate of Rs. 1-4 and Rs. 2, less than half a rupee per family per year. I agree that figures do not represent the whole story. I am always suspicious of figures which pretend to present the picture as it represents itself to every one of the 300 millions odd of people. Obviously a figure of 1½ annas is rather a different one to Sir Maneckji Dadabhoy than it is to me for example . . . . .

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Eight annas would get a family a lotah, according to Major Baring, many years ago.

THE HONOURABLE SIR BASIL BLACKETT: Eight annas would get a family a lotah. Eight annas would go a long way to educate a family, and that is what I personally am anxious to do with that eight annas. The choice is really between the two. It is simply a question whether you will begin to provide a little for that increased expenditure on education and sanitation, which is so urgently desired by the Ministers throughout the Provinces, whether you will begin this year, or whether you will postpone it for, I am afraid, two years at least. That is not the only reason for the Government's recommending the Rs 2 salt tax. The choice between the two is a choice between the use of a surplus this year which will be continued next, for if you keep the salt tax at Rs. 2 this year, you are certain, on the basis of existing expenditure and taxation, that your receipts in the following year will not be reduced by your own action to something below your expenditure as you see it this moment, but if you reduce it to Rs. 1-4, you are putting a gap of over Rs. 2 crores between yourself and what you can see at the moment of the amount you require

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to balance your expenditure a year hence. If the money goes to the Provinces, the recurrent assets of the Government of India are reduced only by the Rs. 150 lakhs. If the money is used to reduce the salt duty to Rs. 1-4, you are reducing your recurrent revenue as compared with Rs. 2 by some Rs. 3 crores a year, and you are creating for yourself a difficulty for 1925-26. Something has been said of what Mr. Gokhale would do with a surplus. I am sure, as between the two views that have been expressed, Mr. Gokhale would not have advocated giving away this year a surplus that would have left a possible deficit the year after. And that is a serious financial argument, quite independent of the other argument in regard to the beginning of expenditure on the improvement of education and the beginning of action to get rid of these Provincial contributions. I have been accused of trying to foment Provincial jealousies, and it seems still to linger in some people's minds that I am responsible for the particular Provinces that have been chosen to get relief. That is laid down by the Devolution Rules, and I have had nothing to do with it. It is laid down in accordance with the rules which were framed at the time when the Meston award was originally made. The only exception that was made to these Rules is the case of Bengal.

As regards the case of Bengal which was mentioned by more than one speaker, the reason that nothing was said about a contribution to Bengal other than somewhat jocular references in the Budget speech is that the question does not arise this year. The question will no doubt arise next year; and it is clearly a very different question which will have to be considered in the light of what happens this year—whether Provincial Contributions are reduced at all this year or not. If no reduction is made this year in the Provincial Contributions, obviously the argument for continuing the special relief to Bengal, however strong it may have been, will have lost some of its force. On the other hand, it will be certainly an argument that has very strong force if this year there has been a reduction in the contributions of other Provinces. I do not think I need say very much more about the Meston settlement itself. We admit that it possibly has deficiencies, but I am sure that it will be much more easy to look impartially into those deficiencies and to consider the framing of a new and better settlement when the purely temporary accretions of the Meston award—namely, the Provincial contributions—have been seriously tackled. I am really afraid we are getting into a dangerous position. The Government come forward this year with a proposal which suggests that a very small surplus—it is not the large surplus that some body spoke of—that a very small surplus should be divided between the reduction of the salt duty and the beginning of a reduction of Provincial contributions. Supposing next year we have a similar small surplus, Bombay, Bengal and others might say "This must be used for reducing postage—it is going to help the country much more than reducing Madras's contribution—let us use it to reduce postage, or let us use it to reduce the tax on motor cars," —all very good uses no doubt, but I do think we ought to recognise that we have 9 crores between us and a really balanced Budget, and that it is not fair that we should continue the purely temporary accretions of the Meston award indefinitely because we ourselves would like to do something else with our surplus. Is that the position this year, or is it simply that owing to the very special arguments which apply in the case of salt—to this financial heresy about the salt duty which seems to have taken hold of India—is that the reason why Provinces are not being treated as we

think they ought to be treated this year? If that is so, the position is not absolutely lost. But I put it to this House that they must consider whether they are not going to go on from bad to worse, whether one year after another we shall not be putting pressure on ourselves to reduce Government of India taxes and leave the Provinces with their Provincial contributions unreduced? So far as I am concerned this year, I am very much attracted by the Honourable Sir Maneckji Dadabhoy's suggestion that the duty—I gather that it was his suggestion—should remain at Rs. 2-8-0, that the surplus should be set apart for the Famine Insurance Fund. You could get the same results by setting it apart for the reduction of debt, so that we should then go into next year with a clearer knowledge as to where we are. The Honourable Mr. Sethna would have been able to find out whether it was a real surplus or not, and our interest charges would be a little lower because we should have paid some of our debt, and we should be altogether on a sounder basis. Moreover, the traders whose common sense has been impugned by Members of this House would not escape our collecting revenue from them. The salt traders would go off with a little less. But that is not the proposal made by the Government of India. I am very glad to see that a good many Members of this House have considered this proposal and realised the strength of the arguments for the retention of the salt tax at Rs. 2. I appeal to those who have for the moment been specially attracted by the reduction of the tax to Rs. 1-4-0 to think again and consider whether a difference of 1½ annas per head per annum is a thing that they should lay stress upon, and thereby deny justice to several Provinces and deny the opportunity for more education and more sanitation. . . . .

THE HONOURABLE SAIYID RAZA ALI: Will the reduction in Provincial contributions be permanent?

THE HONOURABLE SIR BASIL BLACKETT: Yes, that is to say, the relief will be permanent, subject to the power that must remain in the Central Government in case of any emergency to call for further contributions.

THE HONOURABLE SAIYID RAZA ALI: Where will you find money from next year?

THE HONOURABLE SIR BASIL BLACKETT: From the Rs. 2 salt tax.

THE HONOURABLE LALA RAM SARAN DAS: The Honourable the Finance Member has said that I am wrong in saying that the price of petrol in London is lower than the price in India. As far as my information goes, the price of petrol in London varies from 1*s.* 4½*d.* to 1*s.* 6½*d.*, which at 1*s.* 4*d* to the rupee is equal to Rs. 1-0-6 to Rs. 1-2-6 per gallon. In India, the price in Calcutta is Rs. 1-12-6, in Bombay Rs. 1-11-0 and in Delhi Rs. 2-4-6 per gallon or an average rate of Rs. 1-14-4 per gallon. If we deduct even the excise duty of 4 as. 6 p., the rate works out to Rs. 1-10-4 per gallon.

THE HONOURABLE MR. D. T. CHADWICK (Secretary, Commerce): May I rise to explain this point, Sir? I do not know from what source the Honourable Member has quoted these prices. A little while ago the price in London went up by 4½*d.*

THE HONOURABLE MR. PHIROZE C. SETHNA: I think 14 days ago it was 1*s*. 10½*d*.

THE HONOURABLE MR. D. T. CHADWICK: The prices went up only 10 days ago.

THE HONOURABLE THE PRESIDENT: That concludes the business before the House.

The Council then adjourned till Eleven of the Clock on Monday, the 10th March 1924.

COUNCIL OF STATE.

Monday, the 10th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN.

The Honourable Mr. Hopetown Gabriel Stokes (Madras: Nominated Official.)

QUESTIONS AND ANSWERS.

Grant of Compensatory Allowances by Provincial Governments to Members of the Superior Services employed under them.

130. The Honourable Mr. PHIROZE C. SETHNA: In answer to question 63, asked on 11th February 1924, Government replied that Provincial Governments are limited to the grant of compensatory allowance to members of the superior services working under them. Will Government please inquire and state which Provincial Governments have exercised this power since 1st October 1923 (which is about the date of the appointment of the Lee Commission) and in the case of which officers and to what extent?

The Honourable Mr. A. C. McWATTERS: The Government do not think it necessary to make detailed inquiry from Local Governments. Schemes for the revision of house allowances and grant of compensatory allowances for officers stationed at the Presidency-towns and at Poona and Karachi have recently been introduced by the Bombay and Madras Governments. I can supply the Honourable Member with the details of these schemes if he wishes.

The Honourable Mr. PHIROZE C. SETHNA: Do the Government of India consider it right that the Provincial Governments should have introduced these changes even after the appointment of the Lee Commission, when they knew that the Lee Commission were going to take into consideration the emoluments of these officers?

The Honourable Mr. A. C. McWATTERS: The Local Governments have been acting within their powers.

Exemption of Indigo Factories from Payment of Income-tax.

131. The Honourable Mr. PHIROZE C. SETHNA: In answer to question 79, asked on 11th February 1924, Government replied that indigo

factories are specially exempted from the payment of income-tax until 31st March 1925. Will Government be pleased to state—

(i) the reasons for such exemption and the reasons for such exemption up to the particular date mentioned; and

(ii) if from 1st April 1925 income-tax will be levied on their full income or only on a portion as in the case of Tea Companies and, if the latter, on what percentage of the income and why?

THE HONOURABLE MR. A. C. McWATTERS: (i) (*a*) The depressed state of the industry.

(*b*) The previous exemption was for a period of 2 years, expiring on the 31st March 1923. The Government of India considered that it was desirable to extend the exemption for another period of 2 years but no longer. They thought that by that time either the industry would have shown distinct signs of recovery and the exemption would no longer be necessary, or it would be obvious that it was useless to attempt to foster it any longer.

(ii) The present intention of Government is not to grant any further exemption. The basis of future taxation will be considered when the exemption terminates.

BILLS, AS PASSED BY THE LEGISLATIVE ASSEMBLY, LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: In accordance with Rule 25 of the Indian Legislative Rules, I lay on the table the Bills which were passed by the Legislative Assembly at its meeting held on the 8th of March 1924. They are as follows:

A Bill further to amend the Indian Tariff Act, 1894, for certain purposes,

A Bill further to amend the Sea Customs Act, 1878, for certain purposes.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a Message has been received.

THE HONOURABLE THE PRESIDENT: Let it be read.

THE SECRETARY OF THE COUNCIL: " I am directed to inform you that the Legislative Assembly have at their meeting of the 8th March, 1924, agreed without any amendments to the Bill to consolidate the law relating to Criminal Tribes, which was passed by the Council of State on the 21st February, 1924.

INDIAN TOLLS BILL.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, may I inquire as to what has happened to the Bill on Tolls

on Public Roads and Bridges that this Council passed on the 21st of February last. I understand, Sir, from newspaper reports that it has been thrown out by the other Chamber.

THE SECRETARY OF THE COUNCIL: I have no information on the point.

ALLOTMENT OF FURTHER TIME FOR THE GENERAL DISCUSSION ON THE BUDGET.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, may I refer to the debate on the Budget which took place in this House on Friday last. I wish to bring forward a general feeling amongst the Members in this Council that sufficient time is not allotted here to admit of a helpful discussion of the Budget. Many Members have told me that they cut short their speeches in order to conform with the general convenience of other Members, and that there were several points on which they would like to have given their considered opinions, but there was not sufficient time for them to do so. I think it is generally recognised that the Members of this Council are in many cases men with considerable business experience, which might be of great benefit to Government in the discussion of the Budget. If it could be arranged that further time in future should be allowed to this Council, it would not only be much appreciated by the Members, but it might also prove of very great assistance to the Government.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): The request will be duly noted and conveyed to His Excellency the Governor General.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, under the Standing Orders I rise to request you to allow me to waive my right to move the Resolution which stands in my name and at the same time to ask the Right Honourable Mr. Sastri to move it. I hope I am voicing the feelings and have the general consent of the House when I say it would be better if he moved the Resolution as he has made a great study of this subject.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): I have no objection.

THE HONOURABLE THE PRESIDENT: Let it be so.

RESOLUTION *RE* APPOINTMENT OF A PUBLIC SERVICE COMMISSION.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, as I have already intimated to the Secretary of the Council, I do not propose to move this Resolution,* nor the one† tabled in my name on Wednesday.

* "This Council recommends to the Governor General in Council that the Right Honourable the Secretary of State for India be moved to appoint a Public Service Commission under section 96C of the Government of India Act without delay."

† 'This Council recommends to the Governor General in Council that the Right Honourable the Secretary of State for India be moved to make provisions, without delay, by rules under section 45-A., (*1*) (*d*) of the Government of India Act for transfer to the Governor in each Province (acting with the Minister appointed under the Government of India Act) of all "transferred subjects" with the exception of Law and Order, Police, Administration of Justice and European and Anglo-Indian education.'

RESOLUTION *RE* INSTRUCTIONS TO THE COLONIES COMMITTEE WITH REGARD TO THE KENYA IMMIGRATION BILL, ETC.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non-Muhammadan): Sir, through your courtesy I move, on behalf of the Honourable Mr. Natesan:

"That this Council recommends to the Governor General in Council that, as soon as practicable, he should cause to be published the brief of instructions to the Committee which will confer with the Colonial Office on the Kenya Immigration Bill and other matters concerning Indians in that Colony, and the materials placed at their disposal in so far as they have not been published already."

Sir, one or two remarks seem to be called for with reference to the Committee mentioned in this Resolution. This Committee has been long in being constituted, and even now my information is that it is without a Chairman duly appointed. It is a matter for gratification that the personnel of the Committee has been chosen and the date of their departure has been fixed for the middle of this month. I am sure the Council would like to send their good wishes to this Committee who are about to proceed on behalf of India to undertake an arduous and extremely delicate negotiation. I am perfectly sure that their high sense of patriotism and their fearless advocacy will bring triumph to our cause. Another remark that I am compelled to make with reference to this Committee is that nothing is known yet of the status of this Committee, about which an important statement was made by Dr. Sir Tej Bahadur Sapru at the Imperial Conference and later, the public have been told on his authority that this Committee will have the power to deal directly with the Colonial Office and that they will not be mere agents of the India Office in this particular matter, and that in that way India will have gained a step in constitutional status. Dr. Sapru was at that time the agent of the Government of India and I presume that it was with the knowledge and consent of the Government of India that he made a proposal of that far-reaching character. In answer, however, to a question which the Honourable Member in charge took full time to consider before answering, he stated that nothing was known on this subject yet, and that as soon as something definite should be known he would inform the Council. Now I think it a great pity that, even on the eve of the departure of this Committee, nothing should yet be published authoritatively as to the definite status which they are going to enjoy. Now before dealing directly with the subject may I, with due respect, say a word about the attitude of the Government of India towards this subject of India disabilities in Kenya? Honourable Members of this Council will bear with me for a minute if I ask them now expressly to associate themselves with me in according a very high praise indeed to the courage, to the pertinacity and to the faithfulness with which the Government of India have championed our cause throughout this whole affair. They have, it is well known, recorded their protests and their remonstrances up to the point that constitutional propriety will allow, and I think there is not a man in the country who follows these matters who will not admit that the Government of India have done quite as well as they could, subject to the limitations of constitutional decorum to which they are subject like other people. It may be asked, then, why do I bring forward a Resolution asking for the publication of papers? Sir, we are not fully perhaps, but we are by character, a democratic constitution. The authority the Government of India have, the prestige they carry, the attention they command, are all derived in the last resort from the exact correspondence that at any time prevails between them

and the intelligent section of the people of India. Nobody will deny that, if the representations of our Government have carried any weight so far, they have done so merely because the Government had a coherent, well-expressed, definite public opinion behind them and backing them. It is necessary that this agreement between the attitude of Government and public opinion should be maintained and that the mind of intelligent India should be kept actively employed on this subject and quite alert to the ever-changing nature of the situation. Now, suspicion, misgiving, distrust—these ought to be eliminated as far as possible from the proceedings of this Government. To ask for the publication of papers is the commonest thing in the English Parliament when they wish to obtain a definite statement from Government on the exact stage that a negotiation has reached. Secret papers, confidential documents, demi-official correspondence, that passes between different authorities may not be revealed but their substance must, so far as possible, be made known to the public in order that they may have informed opinion, and not merely highly excited opinion on materials supplied by ignorance. I hope, therefore, nothing will be said to impugn the motive which prompts me to ask to-day for the publication of certain papers. There is intense feeling in the country in respect of this matter and there is further, whatever the Government of India may say in their communiqués and statements to the press, an uneasy consciousness that our last attempt in this matter, about the middle of last year, met with almost complete failure. I do not discuss, Sir, at the present moment how far that failure was complete. I know that Government have been very strenuously maintaining that we had substantial gains. I venture to deny that statement *in toto*. Such gain as we have had—and we have had one gain—was slight. Another gain on which stress is laid in Government communiqués was of a very equivocal and doubtful character, having been yielded in theory but taken away afterwards in substance. And as for the rest, our record is a blank failure and there is no mistaking it. It is well known too that this estimate of our success on the last occasion was shared by the Government of India to a very large extent if not absolutely; for the House will remember that, when first the news of the decisions contained in the White Paper was announced here, the Government of India ventured to say that they could submit to those decisions, if they must submit, only under protest. Now that expression has of course been afterwards withdrawn to some extent, modified and interpreted away. We all know what that means. It means that the Government of India were not allowed by the priests who preside over constitutional ritual in England even to protest. Now, Sir, I must say that the people of India note these things, if not always with official eyes, with a sense of keen anguish when they find that, in their struggles with other peoples within the Empire, they are fighting behind a Government, whose weapons, such as they are, are used to the full extent without doubt, but whose hands are tied behind them. If it were in my power, I would persuade the noble Lords of the second House in the Imperial Parliament that it was not necessary certainly to erase from the vocabulary of a subordinate Government the innocent word ' protest ', even though the Government is employed merely on the task of defending the inherent rights of the coloured subjects of His Majesty.

Then, Sir, Mr. Andrews, whose knowledge upon these matters, I venture to say, is not rivalled even by those who have access to secret documents, has definitely stated in one of his writings in the newspapers that some time ago a former Secretary of State, Lord Peel, made a secret

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compact with the Colonial Office—these are the words he uses 'secret compact', I am not responsible for them—giving away the stand that the Government of India had uniformly taken in respect of the question of the sale of lands in the Highlands. Such information as I have tends, unfortunately, to confirm this impression that Lord Peel did admit that, so long at least as he was Secretary of State for India, he would not raise this question of the free and unrestricted right of sale and purchase of land in the Highlands. Well, if that was so, it appears to me to be a serious mistake, to be a surrender on a vital point of the position that the Government of India have always taken; and I believe that the Government of India, if they knew this matter at all, should have placed it before the public of India and armed themselves with the necessary authority to repudiate this surrender. The Honourable Member in charge of this subject has throughout shown a reluctance to take the public into his confidence, which I think has not been conducive to the growth of that full trust in the doings of Government in this matter which, as I said before, is a fundamental postulate of success. Some time last year, apparently in September, he was interpellated in Simla by one who was then a member of this House as to whether he would kindly publish the documents that led up to the White Paper. A negative answer was given, and the request was renewed this Session in another place to which that gentleman has recently been translated; still a negative answer was given. Other Members also have been plying the Honourable Member with questions; but he has throughout steadily refused to publish papers or to give necessary information. To a simple question as to the constitution of this Committee the Honourable Member, seeming to give an answer, gave a negative answer. The only information he vouchsafed me was that this Committee was going to be called the Colonies Committee; and when I re-read the Viceroy's speech on the opening of this House and found that he had employed the word in two places in that speech, I said to myself the Honourable Sir Narasimha Sarma has succeeded in a many words in telling me nothing. The Honourable Sir Narasimha Sarma has once sat on these benches and it will not be long before he resumes his seat here . . . .

THE HONOURABLE SIR DINSHAW WACHA: I hope you will be there before long.

THE RIGHT HONOURABLE SRINIVASA SASTRI: I hope not, Sir Dinshaw. And then I venture to think he will renew his experiences of the ravages of an appetite for information which, we feel, is tied away in those bundles before him, marked in all sorts of formidable labels, "secret," "urgent," "immediate," and so forth.

Sir, I have only to refer to two passages in the opening speech of His Excellency the Viceroy which seemed to us to call for some comment and to compel us to ask for information. I will read those two passages:

"The Kenya Government has treated Indians on the same lines as Europeans and granted adult suffrage. Given communal franchise, this method of working may be accepted, and it has now become law. It is open to our Committee, however, subsequently to make representations setting forth our contention that there are grounds for an increase in the number of seats to Indians and that in our view all voters should be registered on a common electoral roll."

This is satisfactory so far as it goes, but I wish to give a warning to the Honourable Member in charge, if he needs that warning—I am sure he does not. Apparently this passage seems to convey a sort of satisfaction that the Indians have been treated very generously by the Kenya

Government inasmuch as they are now to be endowed with adult suffrage. That, however, is only a plausible sophism, as I shall hope to show to this House. Adult suffrage we did not ask for; adult suffrage it was not in contemplation to give us; but adult suffrage has for a wonder been given. I hope the House will understand the significance of this. Throughout this contest of our people with the white settlers in Kenya the question of a common electoral roll and a common franchise has lain at the bottom of our demand. The white settlers have refused to admit us to the common roll on the express ground—there is no mistaking this—that we are inferior citizens, and that it would not do for them to come and canvass our votes or to have their votes canvassed by Indians. But they said "We will treat you generously, magnanimously, with unexampled generosity and magnanimity if you agree to be put on a separate roll with a separate representation of your own, put away in a certain compartment so that you could be strictly limited, whatsoever your franchise, how many soever you may be as electors; you may be millions, while we are hundreds; still, if we put you in a separate electorate of your own and give you so much representation as a community, you will never exceed that representation and we could always keep you down." That was their idea. Now by the giving to us of an adult suffrage, they have given us a preponderance of voting strength which is simply overwhelming, so that, if we were with our adult suffrage to be put on a common electoral roll, they would be absolutely nowhere, unless they jerrymander the electorates in a manner that will stand self-condemned. So that the grant of the adult suffrage now and the enactment of it in Statute is practically the closing of the door, so far as they are concerned, to a common electoral roll. For it is impossible for them now, with their deeprooted ideas, to admit us to a common electoral roll. It is not, therefore, a blessing, and I must object to the implication in this passage that it is a thing upon which the Indian community should congratulate itself.

Then there is an ominous reference here in this passage "to an increase in the number of seats to which the Indian community are entitled." Emphasis is not laid, as it has been laid throughout, on equality of representation. Now, Sir, judged by the rights of the case, the preponderant majority in the community ought to have the preponderance of strength in the Legislative Council, but as the weaker party in this negotiation, we have never asked for the preponderance to which we may be entitled and to which, when the European community are entitled, they would lay claim without any compunction; but we have reduced our demand and merely asked for equality. On the merits of the case, too, the white settlers have always governed the Government of the country. The Government of the country who have the majority of official seats all filled with white men would always be behind the white settlers, so that, if the mere necessity of the case were to be considered, the white settlers do not need any representation at all in the Legislative Council. The officials there ought to represent them, but we do not take that line. We only wish them to have the same representation with ourselves. On the other hand, representation has been given to them which gives them now the power to outvote all other non-official votes together. Now, that seems to me to be unfair, and it is therefore to me a matter of somewhat ominous significance that in this speech the words "equality of representation" are avoided, and the words employed are "an increase in the number of seats allotted to us." Now the number of seats allotted to us is 5, the number of seats allotted to the European community is 11, more

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than twice our strength. Now I know in the House of Commons and in the House of Lords some people were generous enough to say "Oh! they are entitled to some more seats, 6, 7, 8!" Perhaps some venturesome man may go as far as 9, but I do hope that our Government will instruct our Committee to accept nothing less than equality where, by all the rights and all the necessities of the case, we are entitled to something more than the other community.

Then there is another passage here to which also some attention has to be drawn, and that is the passage relating to the Immigration Bill:

"We took immediate steps",

says His Excellency the Viceroy:

"to urge the postponement of the introduction until the Government of India were able fully to present their objections, and at the same time we strongly pressed that the Colonies Committee appointed by the Government of India should have an opportunity of examining the question of restrictions on immigration embodied in the Bill."

Now that is a small matter. But the large question here is whether there ought to be any restriction on immigration at all. We have always taken the line, and the Government of India have taken the line, that the view to put before the Cabinet was that immigration might continue practically unrestricted as before without any prejudice to the African native community. That view must still be maintained, because the African native stands to gain by the immigration of Indians, and, although it might seem harsh from my lips, I do not hesitate to say, as I have said it before, the African native stands to lose somewhat by the unrestricted immigration of the white farmer, of the white exploiter. However, I am willing that the African native should be protected equally from the white as from the Indian. It has been found, Sir, all over the world, where immigration restrictions had to be adopted, that no type of restrictions will operate evenly and impartially which are based upon considerations where elements of doubt and personal prejudice and individual caprice will come in America, therefore, trusts to restrict immigration on a numerical quota principle. It is blind in its operations, it is impartial in its operations, it may perhaps be unreasonable, but it is a thing that is understood, it is a thing about which there is no possibility of mistaking, it is a thing with regard to which there can be no imputation of unfairness or partiality. Should in the last resort immigration be restricted in Kenya to which, be it remembered in pre-British days we had unrestricted immigration rights,—let it be on the American quota principle, and the Indian people, however reluctantly, might be induced to reconcile themselves thereto. But, if restrictions are introduced based upon one pretext or another, there is nothing to prevent people suspecting, and we should be constrained at every turn to attribute motives, based upon experience, not blindly or wickedly, but motives based upon our experience and our intimate knowledge of how these things work, and we should be compelled to question the good faith of any restrictions on immigration which are based upon such grounds as have been alleged in the White Paper. I hope our Committee will be allowed—and that is my point—I hope our Committee will be allowed to raise this question of the need of immigration restrictions, and not merely go into the character of the immigration restrictions and try to whittle them down in one particular, modify them in another or soften them in a third.

Now, generally speaking, in small minds accustomed to routine and easy views of matters there is prevalent an impression that the proper attitude of our negotiators in these matters should be " how shall I benefit the Kenya Indian community "—not " how shall I preserve the honour and self-respect of the Indian?"—not " how shall I maintain unassailed the position of equality of Indians with our fellow subjects of His Majesty's Dominions ?" There are any number of advisers to tell us that our proper attitude is " how can I get something to-day for my Kenya Indian countrymen, no matter how India loses in the struggle, how can I benefit them?" Now, Sir, I venture in the name of India to repudiate this slave mentality utterly; for I know that when once we assume that position, the bureaucrat will say " yes, the good of the Indian community in Kenya. And what is the good of the Indian community? That which it pleases me so to consider, not that which the Indian community in Kenya vociferously ask for, not that which their Congress may demand; not that which their chosen representatives may voice, but that which it will please my bureaucratic heart to consider as good for them." Now, Sir, I venture to protest most emphatically against this degrading doctrine. The Kenya Indians, whom I know through their best representatives, do not want that India should surrender her case in the smallest particular for any small concession that may be won for them from a reluctant British Government. They wish India to fight her battle unmindful of any harm that might come to the present Indian community. Our honoured representatives, headed by—I should not say headed, because there is yet no head—our representatives, who go in the middle of this month to England, should be allowed to stand up for the dignity, the honour, the right and the claim of India to absolute equality within the Empire and the Dominions, and not merely to look at the question from the extremely narrow, restricted and petty-minded view of what may be temporarily good for the Indian community there. That is why I would, if I may, venture to say a word through this House and on this solemn occasion to our representatives who go forth with all our good wishes, to take no ignoble compromises now; if necessary to leave the question open so that, under better auspices and in happier conditions, we might be able to re-open the question and lead the struggle to a more successful issue. But do not for Heaven's sake, for India's honour and for the consolidation of this Empire, accept a compromise which we shall be obliged afterwards to repudiate. Sir, I would venture to remind the Council of the noble words used by His Highness the Agha Khan in this respect. He told me definitely more than once: " *Our* rights in this matter are nothing. But posterity, the Indian nation as a whole, have rights in respect of this Kenya struggle which no representative of India dare compromise. "

Now there is only one word which I must say to the House before I resume my seat, a word as to the status of Indians as British citizens. To my great grief, and I make no doubt to the great grief of the Government of India, the status of British Indians is not recognised in the Dominions and the Colonies as it should be. If I may venture to say that rather pointedly, in strange and utter contrast to that proverb which says, a slave who sets foot on English soil finds his chains snapped, in contrast, in opposition, to the spirit of that saying what do we find? Instead of British citizenship elevating the Indians, the Indian drags down British citizenship. It is a great pity. Our status and our position in South Africa was lowered after the British occupation of the Transvaal from what it used to be in the time of President Kruger, until it became a commonplace

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in Parliament that, to their shame, they were unable to protect India and Indians from those humiliations against which the British Government had themselves protested in pre-British days. The other day, in a debate in the House of Lords, a remarkable incident happened which perhaps has failed to attract public attention. Lord Chelmsford, Lord Hardinge and our late Secretary of State, Lord Peel, all alike drew attention to a strange anomaly. They said " the Highlands in Kenya are open to immigration to the Greek, to the Bulgar, to the Italian, and they will be open to-morrow to the German and to the Austrian, whom the Indian has fought for our sake; but the Highlands are not open to the Indian and yet the Indian is a British citizen while these people are not. " They said, " if the Cabinet found it necessary to accord to the white subjects of His Majesty concessions and privileges denied to the Indians, let that be so, " and some of them did really approve of it, " but let not Indians be placed lower than non-British whites. " Now, a protest so authoritatively made and made with the sole motive of exalting British citizenship, when it attached to a dark skin,—that protest went unheeded, and should I go too far if I take this Council into my confidence and say that, three days before the White Paper was issued, and the Cabinet announced their decisions, when I went to the India Office, the India Office people were exultant over the victory they had won; for they told me: " We have won this for you that, though a white settler belonging to His British Majesty's Dominions will be preferred to you, no non-British white will be preferred to you. We have secured that, " they said. No, but the White Paper did not contain this victory, and that is why these noble Lords, whose names I have dragged before you to-day, thought it necessary to protest against that. Now I ask the House to realise what a degradation it is that, in spite of these protests, the British Cabinet should have been unwilling to accord to the British citizen, merely because he had a dark skin, that which they do not shrink from giving to a person who was not a British citizen, but who could boast only of his white skin. Now I am not saying that this will remedy our grievances at all. We do not want to drag anybody down to our level. Our whole attempt is to raise ourselves, through British co-operation, to the level of others. I am not therefore for depriving the Bulgar of his rights to the Highlands, but I am for our being admitted to equal citizenship in the Highlands of Kenya as well as elsewhere. Sir, I move the Resolution.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, the Honourable Mr. Natesan asked a question a few days ago in this House on an allied matter, and I ventured to put a supplementary question and asked the Honourable Member in charge whether the instructions to the Committee that was about to start would be made public. The Honourable Member replied it was not proposed to do so, and in answer to my further supplementary question, he said the Government would consider the matter. Now that this Resolution is, forcibly moved, I am sure the Government will make its position known so far as it is conducive to public interest. I have been considering the matter since and I am doubtful whether what is asked for in this motion should be, or even could be, completely complied with.

What the Right Honourable Srinivasa Sastri would call the narrow and the easy mind—shall I add the professional mind—seems to suggest that, if you want to let your Committee do their work as they ought to do

it, the less that is now made public the better. Having listened to the Right Honourable the Mover's speech, it struck me that he was asking not so much for the brief in the case that is going on, as for the history of what has gone before; and in so far as that is concerned, I am perfectly at one with him. We want to voice our grievance that full publicity has not been given to what has gone before. Knowledge of that would be some help to those who will have to take up the burden afresh—and it is a heavy burden—with regard to carrying on difficult negotiations further. Sir, very few know what the scope of work of this Committee will be—whether it is to be limited strictly to the Kenya case or the general case in many of the aspects that have been mentioned. Is it going to deal with the franchise case, the status case, the immigration case and other allied cases with which the public mind has been made familiar for the past few years, or is the much larger, the much more important, all-India aspect of questions all over the Colonies and Dominions also to find incidentally or otherwise a place in those negotiations? It may or may not be a strength to the Committee to be permitted to deal direct with the Colonial Office. To certain minds it may appear as an enhancement of their status and therefore of the status of India. But it might possibly also be urged later on in certain contingencies, that the Indian representatives, having been given a free hand, it would not be the fault of the India Office or the Government of India that, where the former Indian delegates had failed, the present delegates would fare worse. That is an aspect of things, Sir, about which we have no materials before us for fully considering in advance. At all events, from the point of view of what is called status, it would be good to have the convention further developed that those representing the Government of India and as agents of the Government could deal with other departments of His Majesty's Government in England otherwise than through the India Office.

This morning there is a telegram in the papers about the Colonial Secretary telling the Overseas Club at one of its monthly luncheons of the trust and responsibility that Great Britain has with regard to the millions in these Colonies. This trust argument, it is apprehended, has been brought out before and will be brought out again and again, only so far as keeping out the Indian is concerned. It has been indirectly urged that the aborigines, or natives or whatever else you like to call the local people require to be protected not so much against the white intruder, the white adventurer, or the white settler, as against the Indian. That, therefore, is the position of affairs that appears to be appealing in advance, so far as the present Secretary of State for the Colonies is concerned. How much more our delegation will be able to achieve at the present Colonial Office than our late delegates have been successful in doing, is a matter with which we are naturally concerned and by premature publications of their movements we should hardly hamper them. We shall watch developments with great interest. From one point of view I must regret the chivalry of Mr. Natesan in leaving it to the Right Honourable Srinivasa Sastri to move this Resolution. I would much rather from the point of view that I am going to present before this House that he (the Right Honourable Srinivasa Sastri) had not moved the Resolution or was not even present in the House to-day. The House would like to know, the country would like to know, how it is that, while an important delegation like this is going to the Colonial Office, one who has been all over the Colonies and Dominions, who was made much of there, who for the time being came back with expectations that the Indian wrong would be

[Dr. Sir Deva Prasad Sarvadhikary.]

righted, who had acquired unparalleled experience—how is it that, when this important delegation is going abroad, the Government of India should not have thought of him as the one to accompany at all events that delegation if not to head it? Sir, I think I can understand it to-day. It would have been inconvenient, I suppose, it would have been uncomfortable, it would have been embarrassing to have one of those pronounced views to go and complicate the negotiations. Is that what the Government of India think on the matter? Should not the higher necessities of the case have been allowed to determine the situation, and one who has acquired such unique, such unparalleled experience with regard to these matters, have been entrusted to go and see direct what he could do for his Government and his country? I can imagine, Sir, that his spoken and unspoken opinions in the matter would have been embarrassing to other people, but that is a part of the question that we cannot stay to consider or give effect to, if wrong is really to be righted. It is not a case of a few Kenya Indians getting an advantage or two over others. It is a much bigger case of many millions of our fellow subjects, Indians abroad, who every day are exposed to hardships—more than hardships, to humiliations—the poignancy of which has made the Government, in the words of the Right Honourable Srinivasa Sastri, so faithful, so pertinacious, so strong, in the desire for defence of their rights.

I can almost understand, Sir, why the sages, the Rishis of old, our Shastric forefathers laid down injunctions against sea-voyages. History will tell you and history is often unpalatable if it goes back very far in practical Houses like this—history will tell you that sea-voyages were not unknown in the past, not the dim past. In old days Indians colonised and colonised to a considerable extent. Jadus colonised Judea some claim and places, overseas. That was before the beginning of christianity and much later. It may or may not be history—it may be romancing; but no one can say that in ancient times sea-voyages and colonization from India were not a recognised and an organised thing. It was a thing that was encouraged and that established world relations, although after a time it was forbidden. One cannot understand how that came about. I do not quarrel with our Shastric forefathers for doing this for I almost understand the reasons; but if instead of stopping it they had continued to encourage it, as our Government should now do, probably we would have been, with regard to the determination of questions like these, upon firmer ground than we are to-day. But that, Sir, is quite another matter. The present question is, so far as lies in the Government of India, the best that can be done has been done; so far as the British Cabinet is concerned, it is, even with its newly developed and little understood committee system not prepared to go very much further. If it is to be a conference with regard to a strictly limited subject, it will be a conference which may not bring any appreciable results.

12 NOON. The question for the Government of India and for India herself will be to say what in those events must be their attitude towards the whole question of emigration. Shall it be given up or shall other avenues be looked for, because without colonisation on a large and widespread scale such as went on eastwards in ancient times, some of the avenues to which India is entitled will not be open? From that point of view it is worth while considering very seriously whether avenues of colonisation cannot be opened eastward, where questions of the

white settler have not yet begun to complicate the issues where British influences are still great. It is worthy of serious consideration whether for the purpose of future insurance of the safety of India and of the Empire at the India end colonisation eastwards is not more than desirable. It would not be less useful than the Singapore base. That is a speculation however that will not directly arise now; but it is a possibility that should not be lost sight of when the question is dealt with as a whole. For the present the strongest possible insistence should be made on all the points that have been brought out in this debate. At the same time I feel that beyond general outlines, and general propositions, about which there can be no need for confidential treatment, detailed instructions to the delegation cannot conveniently or even safely be given out. I am sure the Honourable Member in charge will be able to tell us, that upon the points that have been raised by the Right Honourable Mr. Sastri, instructions to the delegation will be on the lines, generally indicated, namely, that with regard to the status of the Indian, with regard to the franchise question, and with regard to immigration question, the strongest lines will have to be taken. So far as the particulars of those instructions are concerned, I do not think the House can very well ask Government to make them public. It will be embarrassing for the Government themselves; we know that failure of what the Government have tried to get done has led to a great deal of unrest, apart from other considerations. And publication of instructions that may lead to little will make it still more embarrassing. For the proper handling of the case we must trust more to the men whom the Government have chosen, who, in consultation with the Secretary of State for India, will and ought to be able to give a good account of themselves. From all these points of view it is difficult to support this proposal entirely and as a whole; but to the principles of it we must give our support and leave it to the Honourable Member in charge to tell us generally what the Government propose to tell their delegates for the purpose of furthering the views of which they are taking charge.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, the House will remember that early in the Session I had given notice of a Resolution in regard to the Ordinance Bill brought forward by the Government of Kenya colony. I withdrew that Resolution because of the announcement made by the Honourable Member in charge that a Colonies Committee was to be appointed by the Government of India. I say that although I had given notice of that Resolution yet I do not now consider it necessary for me to offer any arguments in support of the Resolution moved by the Right Honourable Srinivasa Sastri after his very eloquent, his very lucid and his very feeling speech that we have listened to this morning. The Right Honourable gentleman has spoken with great feeling because we all recognise that he has done so from the fulness of his heart. He has thoroughly identified himself with this question; and there is perhaps no one in this House or outside who understands the Kenya trouble as thoroughly as he does or who could put up a fight as well as he could. He quoted to us the words of His Highness the Aga Khan and he said that the Aga observed as follows: "Our rights in the matter are nothing." May I be allowed to quote the words of the Right Honourable Member himself: "Kenya lost, everything lost." May I assure this House that that is the feeling endorsed by every one who takes an intelligent interest in the question of Indians overseas. I had no desire to speak on this Resolution to-day and I want to make no further remarks. However, I did rise to speak because of an observation which fell from

[Mr. Phiroze C. Sethna.]

my Honourable friend, Sir Deva Prasad Sarvadhikary, that in the list of the Committee Members he did not find the name of the Right Honourable gentleman. I know it was announced in the House of Commons or rather in the House of Lords that the personnel of the Committee would soon be made known. It has not been announced in the Home papers nor have we seen any official notification in the Indian papers. I trust therefore that it is not yet too late to find the name of the Right Honourable Srinivasa Sastri included in the Committee. Sir, what the public feeling is can best be illustrated by the quotation of a few lines from the "Times of India" of the 7th instant. It says:

> "It is much to be regretted that when Government had failed to secure the services of any Bombay man for the Committee it did not make up its mind to appoint a man of outstanding ability, such as Mr. Sastri, who would carry the confidence of his fellow countrymen."

We thoroughly endorse that statement and we still hope that the Government of India will not lose the opportunity of including in this Committee the one man on whom the whole country relies for putting the Indian case most efficiently before the Colonial Secretary.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I rise to give my support to this Resolution with one small reservation. At the outset I wish to associate myself with what my Honourable friend, Dr. Sarvadhikary and my friend Mr. Sethna, have said regarding an important omission in the personnel of this Committee. I feel, and the country feels, that our Right Honourable friend, Srinivasa Sastri, who has made a close study of the South African question, who is so highly respected not only in this country but also in the Dominions, should have been a member of this committee; and even now it is not too late. We all feel—the non-official Members of this Council feel—that he really ought to have headed the deputation. One could quite understand the reasons of Government that a man who has made such pronounced utterances would find it difficult to negotiate on a very important question. But I beg to submit that the knowledge and information that he commands would be of immense service to the delegation.

Sir, as regards the Resolution, I am rather sorry that my Honourable friend has asked for the publication of the instructions. On this point I agree with my friend, Sir Deva Prasad Sarvadhikary, that it would be in the interests of the country and in the interests of the Indian settlers in Africa that the delegation should not be put in any embarrassing position by the publication of many important matters concerning the controversy, but at the same time I do not see any valid objection to a précis being prepared in the department of Government, containing all the material confidential information and instructions and to that précis being handed over to the present delegation. This delegation must be furnished with all the information on the subject, whether of a confidential nature or not, because it is going to lay the claims of the Indian settlers before an important body. I agree that it may not be prudent to publish the details of this brief for the information of the general public, but it is right and proper that this delegation should be in possession of complete information on the subject as well as special instructions if any which the Government of India may desire to give to them.

Sir, the other part of the Resolution asks that materials may be placed at the disposal of this Committee. There the demand too is very just

and reasonable. I do not see any objection to this request. We all know that the Government have information in their possession which ordinary citizens are not always able to obtain. They have correspondence with the Colonial Office and the India Office on the subject. That correspondence might throw considerable light on the work of this delegation, and it is only right and proper that this delegation, which is to go and lay our case before an important and august body, should be possessed of the fullest details of the correspondence that has passed not only between the Secretary of State and the Government of India but between the Colonial Government and the Secretary of State. It is for this reason, Sir, that I do not see any objection to this Resolution and I support it.

I am very sorry, however, that my Right Honourable friend, Srinivasa Sastri, went a little bit out of the scope of this Resolution and referred to the merits of the case. This is not the occasion to speak of the merits of the Kenya question. The Kenya question needs no defence. It has been discussed in this Council before, it has been discussed in the Assembly, it has been discussed all over the country, and I wish he had not referred in detail to the merits of the question in the course of this debate, and had confined himself strictly within the four corners of the Resolution. My aim is this, that when an important delegation like ours is to go to England and South Africa, they should go with their hands unfettered, and, in spite of anything that has been said in this country, our friends in England should be found in a mood to receive our delegation with open arms and in a spirit of co-operation. However, Sir, so far as the merits of this Resolution are concerned, no exception could possibly be taken, and I trust that my friend, the Right Honourable Srinivasa Sastri, will waive his request for the publication of the brief, and only ask that a complete brief be delivered, as a confidential State document, to the delegates who are about to go on an important mission.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, before I pass to the Resolution, let me express my grateful appreciation of the very kindly references made by the Right Honourable Srinivasa Sastri to the efforts made by the Government of India last year to secure justice for the Indians in Kenya Colony. I am glad that he cordially blesses the Committee with his good wishes, and I am sure that the Committee will be fortified in its task by the good wishes and support of the whole Council behind it. Honourable Members will readily appreciate that, inasmuch as the Committee has to make representations to the Colonial Office and secure for India and for the Kenya Indians the bare justice which is due to them, it would be difficult for me to expatiate at any very great length upon the merits of a controversy which has existed unfortunately for only too long. I may assure the House, however, that there is no substantial difference between the country and the Government with regard to any vital matters connected with the Kenya question. They have nothing to conceal, they have nothing to withhold, from the public, and if they have not hitherto published the correspondence, it is because the Government have felt that it is not desirable in public interests to publish the whole correspondence which has taken place between them and the India Office, correspondence which relates not merely to what has taken place between them and the India Office, but also correspondence with regard to what has taken place between the India Office, and the Colonial Office, and the Colonial Office and the Government of the Kenya Colony, and particularly at a time when

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the whole question is still a living question. If it were a purely domestic question, if it were a question between the India Office and the Government of India, there would not have been the same difficulty as we now have when dealing with a question to which, as I have said, so many are parties—a matter which is still under controversy and under negotiation. I hope, therefore, the House will rest satisfied with the general statement of the Government of India which I shall make on the many questions discussed in the White Paper with which the Committee is fully competent to deal.

Now, the first question that has been referred to by the Right Honourable Srinivasa Sastri is, as to the status of this Committee. He made a reference to Dr. Sir Tej Bahadur Sapru's definition of the status of this Committee *vis-a-vis* the India Office, and he asked the Government to state explicitly as to whether that is a correct pronouncement of the position which the Committee would occupy in making any representation to the Colonial Office. There is nothing very peculiar about the constitution of this Committee or its status. It is a Government of India Committee, appointed by the Government of India. This Committee would have to deal directly with the Government of India. It would take its instructions from the Government of India and it would make representation, on behalf of the Government of India, to the Colonial Office. (*The Honourable Mr. G. A. Natesan*: "Direct?") Direct to the Colonial Office, and this Committee would inform us of the various stages of the representations—I would not use the word 'negotiations'—the various stages reached at any particular time. The Committee would take our final instructions in the matter and arrive at a settlement, if a settlement be possible.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it a final settlement with the Secretary of State?

THE HONOURABLE SIR NARASIMHA SARMA: The relations between the Secretary of State and the Government of India are what the Statute has prescribed. Every Honourable Member in the House knows . . . .

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I mean about the local negotiations.

THE HONOURABLE SIR NARASIMHA SARMA: The Secretary of State would not interfere with the Committee. (*The Honourable Dr. Sir Deva Prasad Sarvadhikary*: "Nor help.") Certainly we hope that the Committee would seek his help, and that the Secretary of State would give all the assistance that he can to the Committee. That we look forward to, but it would not take any instructions directly from the India Office. It has to do with the Government of India, and the relations between the Government of India and the Secretary of State would remain what they have always been under the Statute.

THE HONOURABLE MR. G. A. NATESAN: Will the Committee be directly empowered to cable to the Government of India should any circumstance arise?

THE HONOURABLE SIR NARASIMHA SARMA: There is nothing to prevent the Committee from stating its views directly to the Government of India. That, Sir, is the status of the Committee.

Then a further question has been asked as to what are the subjects which will be referred to this Committee. I have already answered it in a way, that there is nothing to preclude it from making representations to the Colonial Office in respect of any matter that is covered by the White Paper. The primary object would necessarily be the Immigration Ordinance, a vital question which has to be settled soon, very soon, almost immediately. I shall deal with that problem first. With regard to that, the Government of India hold that it is undesirable, in the interests of the Empire, that there should be any restrictions upon the free emigration from one part of the Empire, excluding for a moment the self-governing Dominions, to another part of the Empire. They hold that it is not necessary, so far as their information goes, to impose any further restrictions upon the immigration of Indians into the Kenya Colony. They do not see that a case has been made out for any restrictions being imposed. The existing Statute safeguards the position in their view sufficiently, and a case has to be made out that further restrictions are necessary in the interests of the East African native population. In their judgment no such case has been made out so far. It is for the Colonial Office and for the Committee to consider the problem, and for the Committee to make the necessary representations to the Government of India, but as far as I can see, as far as the Government of India can see at present, there is no need for any further restrictions. That I hope will satisfy my Right Honourable friend and the House. There is no difference of opinion whatsoever between them and the Government of India. Assuming for the moment that a case can be made out in favour of restrictions, how far those restrictions should extend is a matter for future discussion, future negotiation. It is impossible for me, at the present stage, with the information that I have, or the Government of India have, to say more on the subject, but we hope that the Committee will be able to satisfy the Colonial Office that there is no need for the imposition of any further restrictions as regards emigration from India.

Before passing from this subject, I may make another statement. Although Uganda was not directly referred to in the negotiations at an earlier stage, still the White Paper contemplates that some restrictions may be imposed in the case of Uganda also. The attitude of the Government of India with regard to Uganda is exactly the same as with regard to Kenya. They go further and say no case has been made out for any restrictions in Uganda; if anything it is even stronger than in the case of Kenya.

Then the second subject which has been dealt with, is the question of franchise. The Government of India stood for a common electoral roll and stand for common electoral roll, and the Committee is free to discuss that question and to secure, if possible, a common electoral franchise for the Indian community resident in Kenya. The Right Honourable Srinivasa Sastri doubted whether adult suffrage was really a boon that was conferred on the East African natives. The Government of India, when these proposals were before them, saw the difficulties ahead, saw the implications thereof, but they could not see their way to object to the grant of adult suffrage to all the Indians in Kenya, for it was a generous measure. The Indians were willing to receive it and the Kenya Government was willing to give it. It was not part of their business to say, " no, you shall not confer adult suffrage." They could not reasonably say that. Therefore they welcomed, and they do welcome, the grant of adult suffrage to all the Kenya Indians, only they have not swerved from their original attitude,

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that this should not imply a surrender of their claim for a common electoral roll. Then the Honourable the Mover scented some danger in the use of the words " increased representation " in His Excellency the Viceroy's speech. There is nothing incompatible with the increased representation, amounting to representation which would give the same voting strength to the Indians as to the European community. I know that at one stage of the negotiations, it was suggested that, if communal representation was to be the basis on which the future franchise was to be settled, the Europeans and the Indians should have the same voting strength in the Legislative Council. There is nothing to prevent the Committee from securing that equality of voting power from the Colonial Office. The Government of India's instructions do not in any way infringe upon that liberty, and we wish it success in securing for the Kenya Indians a common electoral franchise and equal representation. It is a matter for negotiation, it is a matter for discussion, it is a matter as to what we can get consistently with the interests of the whole community. Well, Sir, the Government of India have always felt that there was no need, no necessity, for any restrictions in the matter of grants of land in the Highlands or transfers of land in the Highlands, from one community to another. They stood for the principle of free transfer, free grant, and do stand by that now. Whether it will be possible for the Committee to secure that at the present stage or not is a matter of some doubt.

But the Committee is free to negotiate with regard to the Highlands if it thinks that the time is favourable or that it is possible to secure from the Colonial Office a favourable settlement with regard to the Highlands. There is little more, I think, of substance with regard to any controversial question which is at present agitating the minds either of the Indian public or the Kenya public with regard to this unhappy controversy that I have referred to. The Government of India, I may say, are asking for a common electoral franchise in the case of municipalities also. Whether it will be possible for the Committee to secure that it is not for me to say, but the Government of India have asked the Committee to secure the most favourable terms in this matter also for the Kenya Indians.

Saying so much, I may state, at the same time, that it is not possible for the Government of India to publish the brief or the papers which they are going to place at the disposal of the Committee in order to enable it to make representations to the Colonial Office. The Honourable Sir Maneckji Dadabhoy was doubtful as to whether the Government of India were prepared to place all the necessary correspondence in the hands of the Committee in order that it may negotiate successfully, with intelligence and with knowledge. He need have no apprehensions on that point.

THE HONOURABLE SIR MANECKJI DADABHOY: Also the correspondence between the Colonial Office and the Secretary of State for India.

THE HONOURABLE SIR NARASIMHA SARMA: It is a Government of India Committee and I take it the Government of India are able to confide fully, wholly, in the members of that Committee. Of course it is not open to the members of the Committee to disclose the contents of any papers which may be entrusted to them. (*The Honourable Sir Maneckji Dadabhoy*: " Quite "). But the Government of India have full confidence in the Committee which will be given all the papers that are considered necessary to enable it to make representation usefully to the Colonial Office.

There is one point, Sir, to which the Right Honourable Srinivasa Sastri alluded, namely, that in this controversy we should look to India's honour, India's future—to India's status even more than the immediate benefit of the Kenya Indians, and that in this respect the Kenya Indians and the Indian public are at one. I do not see that there is any incompatibility between the two. He does not ask us to neglect the immediate interests of the Kenya Indians. I think it is our paramount duty to protect those interests, to safeguard those interests, as far as may be, but in doing so let him rest assured, let the Council rest assured, that the Government of India would not countenance anything which may be derogatory to the honour, the dignity or the future wellbeing of the people of India.

There is one point I think to which I must take exception in the Right Honourable Srinivasa Sastri's statement, and that is, that we should or that we might adopt the American quota principle if any restrictions are to be imposed. I am not sure that he was quite clear in his remarks or in his own mind as to what that American quota principle means and where it would lead us. I for my part should, as at present advised, refuse to countenance any restrictions based either upon the American quota principle or any other principle, unless such restrictions are needed solely and wholly for the benefit of the native population of East Africa—subject also to the further safeguards that I have mentioned in my opening remarks, namely, that the Government of India do not consider it to be desirable in the interests of the Empire to impose any restrictions upon the freedom of settlement, freedom of movement between one part of His Majesty's Dominions and another, excluding for the moment the self-governing Dominions except in extreme circumstances. We need not, I think, having regard to the statement that I have made on behalf of Government, discuss any further the point about the various classes of British citizenship as propounded in some parts of the Empire. The Government of India have never countenanced a first-class citizenship and a second-class citizenship in any part of the Empire. They have stood for equal status; they do stand for equal status, and I hope any who may have any lingering doubts in that respect will, on further consideration, both in their own interests and in the interests of the Empire, accept the principle which has been recognised by His Majesty's Government, by all the Premiers collected at the Imperial Conference—with one notable exception, and I need not say who it was.

That, I think, Sir, exhausts all the points of substance that have been referred to in the various speeches that have preceded me. It is a Colonies Committee, and the primary object with which this Committee has been appointed is to deal with the Kenya problems, and of the Kenya problems the one of paramount, supreme, immediate, importance is the immigration problem. The Government of India also hope to be able to utilise this Committee to deal with some outstanding questions with regard to Fiji, but the matter has not been completely settled and I shall be able to make a statement somewhat later as to whether this Committee can be asked to undertake that duty also. I think the object with which the Right Honourable Srinivasa Sastri has moved this Resolution has been achieved and I hope he will not press it further. Let me through this House assure the whole country that there is no vacillation, no hesitation, on the part of the Government of India; that the latest pronouncement of the Secretary of State also inspires us, and ought to inspire the country, with confidence in His Majesty's present Government being able to do justice to

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His Majesty's Indian subjects. The Colonial Office have no doubt expressed in the past reluctance to re-open this question, but I may inform the House that they found the Immigration Ordinance that was sent to them to go beyond the White Paper and therefore sent it back of their own accord for a fresh draft to be submitted to them. That shows that the Colonial Office is prepared to approach the question with an open mind, and have indicated, in the case of another suggestion from the Governor of another Protectorate in Africa, their attitude in this respect. There was a question of segregating Indians not directly but indirectly in another African Protectorate, and His Majesty's Government straightaway vetoed it. Therefore, the signs are propitious and I hope that, with the good wishes expressed here and with the cordial appreciation on the part of the public, the Committee will go forth to its labours with confidence that it will be able to secure justice for the Indian people. The Government of India will back it up whole-heartedly, and I feel confident that His Majesty's Secretary of State for India will give all the assistance that lies in his power to make the mission a successful one.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Will the Right Honourable Srinivasa Sastri be included in the delegation, as is the desire of many in this part of the House at all events?

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Whatever doubt, Sir, any Members of this House had about the propriety of this subject being discussed should have been dispelled by this time. The object, as pointed out by the Right Honourable Srinivasa Sastri, was to ascertain exactly what was the position of the Government of India in regard to this matter, a matter in which their opinion and the opinion of the people have long been held to be the same. I think that the Right Honourable Srinivasa Sastri has done a service to this cause by the discussion which he initiated to-day and by the manner in which he presented all the outstanding questions upon which this Government and the people feel so much. I am glad the Right Honourable gentleman has enunciated his views in such a manner that even those who are accustomed to regard the Government as hostile—and in this respect I have a different class of people in view—will at least think that they are going to present this case in the manner in which a responsible and National Government is expected to represent it.

So far as I am concerned, as one who ballotted for this Resolution, I should like to state at the outset that I am very much pleased with the statement that has been made by the Honourable Sir Narasimha Sarma and I join in the expression of hope which he and others made that starting, as the Committee does, under these very happy auspices, we shall be able to achieve something and that this problem of the treatment of Indians overseas, which is a standing sore, will soon be healed; and that our relations not only with the Government of this country but with the British Empire itself will become happier and more hopeful.

There is one more point on which I should like to address the Honourable Sir Narasimha Sarma after having expressed my very complete satisfaction with the statements which he has just made. He has told us that this Committee can negotiate directly with the Colonial Office, that it can correspond from time to time with the Government of India, should any fresh difficulties arise, that it is at liberty to traverse all the points

covered by the White Paper and even the later question of this Immigration Bill. I am anxious that this Committee should be empowered—and I hope in this matter the Government of India will give them every possible support—to challenge the statement, the fundamental statement, on which the White Paper is based, namely, that the interests of the African races should be looked to first, but it seems to me that it might be interpreted as a sort of camouflage so far as Indian interests are concerned. In this connection I would like to point out what Sir Robert Hamilton, an *ex*-Chief Justice of the Kenya High Court, said. He pointed out three striking reasons to enforce the position which I shall presently present to the House. He said:

"The fact remains that from 1897 to 1921 the number of Indians only increased three times, whereas during the same period the number of Europeans increased 23 times."

And again:

"In 1919 the franchise was granted to Europeans. During all this time the party in power politically were purely Europeans, and, as may be found in any part of the world, and as we have found in our own history, when one party only is in power it naturally legislates in its own interests. If we look back on these years of the history of Kenya, we shall see a succession of laws passed very much in the interests of the white population alone, while the interests of the Africans, the real natives of the place, were very much left out. I refer particularly to the labour laws that have been passed. Most drastic labour laws have been passed from time to time by the Europeans in order to compel the natives to work for them."

There is a third point which Sir Robert Hamilton wanted to enforce and to press upon the attention of Parliament where this debate was going on. He said:

"I can further illustrate the selfishness of the legislation that has taken place by referring to education. Beyond the small 5 per cent. Customs Duty the first tax was the Hut Tax, which was three rupees. It gradually mounted up until the present moment when it is 12*s*. It was 15*s*., but it has come down. That tax brings in something like £500,000 . . .

THE HONOURABLE THE PRESIDENT: Order, order. I do not think it is reasonable for the Honourable Member to emphasise his small point by copious extracts from a newspaper; he should make his point and there ends the argument; he cannot be reading copious extracts like that.

THE HONOURABLE MR. G. A. NATESAN: All these points to which I have drawn the attention of the House are quoted from the speech of Sir Robert Hamilton, who was a Chief Justice of the High Court of Kenya. He himself says that if the further conduct of the Government and of legislation were to proceed upon the lines alleged to be for the protection of the African races, the African races themselves will suffer at the hands of the Europeans and not at all at the hands of the Indians. I beg that the Committee that goes on our behalf will bear this point in mind, and that when from time to time it asks the Government of India for advice and help, this Government will give it unhesitatingly and unstintedly. I do hope that this Committee, started under such happy auspices, will be able to solve to some satisfaction at least a problem which has been of great distress to all of us.

THE RIGHT HONOURABLE SRINIVASA SASTRI: Sir, the Honourable Member for Education, Health and Lands deserves to be congratulated on the statement that he has made and especially on the emphasis and

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conviction with which he has dwelt on the particulars of the statement. I hope he does not feel embarrassed by the debate which I have initiated this forenoon and—I should also add—I would beg him not to be embarrassed at all in any way by the recommendation of a personal character that good friends of mine on this side thought it fit to make. I hope he knows that I dissociate myself completely from that recommendation, but I am very thankful to my friends for marking their appreciation and good-will towards me by the action that they took this morning.

I do not wish, Sir, if the rules permit me, to press this Resolution.

The Resolution was, by leave of the Council, withdrawn.

RESOLUTION *RE* APPOINTMENT OF A LEADER OF THE INDIAN DELEGATION TO THE ASSEMBLY OF THE LEAGUE OF NATIONS IN 1924.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, I beg to move:

"That this Council recommends to the Governor General in Council to appoint an Indian of suitable rank and qualifications to be the leader of the delegation representing India at the session of the Assembly of the League of Nations to be held in September this year."

This Resolution, Sir, stands on to-day's agenda in the names of the Right Honourable Srinivasa Sastri and also of myself ; and I understand that, because the Right Honourable gentleman has already moved one Resolution, the rules of the House do not permit him to move a second . . . .

THE HONOURABLE THE PRESIDENT: I understood the Honourable Member was moving the Resolution as the Right Honourable Srinivasa Sastri did not move it himself but made the Honourable Member his agent, so to speak.

THE HONOURABLE MR. PHIROZE C. SETHNA: Then I am thankful to the Right Honourable gentleman for allowing me to move it. Sir, the League of Nations meets this year in September. India, as we know, is a member of that body, and as such contributes its share to the cost of the League; perhaps, in the opinion of some including myself, it is asked to contribute a larger share than what could be considered a proper share.

In fact this very day, or perhaps within the next two or three days, the Finance Member at another place will demand a grant of more than seven lakhs of rupees as this country's share for membership in the League of Nations during 1924. There certainly is a difference of opinion whether the League of Nations has so far justified its existence or otherwise, but, as long as India continues to be a member of the League, it is the duty of this Council to point out to Government that the representatives they send, and particularly the head of the delegation, should be persons who command the confidence not only of the country but of

the world at large. Indians of course have been selected to go to the League of Nations on behalf of the Government of India, but our complaint is that they have always been made to play, as it were, second fiddle and no Indian so far has acted as the leader of the delegation; and we are emphatically of opinion that in future such leader must preferably be an Indian, for otherwise it is a proclamation by the British Government to the world through a body like the League of Nations which deals with world-wide subjects, of the unfitness, as it were, of Indians to fill such a position, whereas I am sure Government themselves must admit that there are capable Indians who can head the deputation instead of filling secondary positions thereon.

At the Imperial Conference of last year the Irish representative, Mr. Fitzgerald, observed as follows:

"Putting myself in the position of the Indian I do not think that Indian representatives here are of an equality with us, because they are not really here in a representative capacity. They are not really sent by an independent Indian Government and they cannot really be regarded as equals with the rest of us."

This was a humiliating remark and cuts one to the quick. Our representatives to either the Imperial Conference or at the League of Nations are of course not there in a representative capacity in the proper sense of the word. They will go there as such in course of time, but until then, Government should act in a manner as would not lower the position of Indian representatives at either the Conference or at the League. It may be that, because the Secretary of State himself attends the Imperial Conference, he has headed the delegation there and it is a long cry from now to the day when the Secretary of State will himself be an Indian. As to the League of Nations, there is no reason why the senior member of the delegation should not be an Indian. The proper course would undoubtedly be for our representatives to be elected by the Legislature. This I take it is not possible to-day because the delegates are supposed to express not their own views but the views of the Government of India, constituted as it is to-day. There may therefore be conflict of opinion, but this could be prevented by asking the Legislature to elect, say, a dozen men to form a panel out of which Government may select any persons they like whose views would coincide with their own and who would be willing to go.

I am sure that the House will admit that I am not asking for anything which is unreasonable or impossible. It cannot be said for a moment that suitable Indians are not available to fill the position of leader of the delegation. If an Indian can act as High Commissioner for India in Great Britain, if men like the Right Honourable Srinivasa Sastri and Sir Tej Bahadur Sapru can put forward India's case before the Imperial Conference with the dignity and with the ability which they have displayed, surely they or others like them can be found in the country to be entrusted with the leadership of the delegation. It is six months from now, and I trust that Government will not only accept our proposal, but will notify before long on what Indian their choice has fallen for this year to act as the head of the delegation.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, before dealing with the proposal embodied in the Resolution which is now before the House, I propose, with your permission, to take a

[Sir Mian Muhammad Shafi.]

bird's eye view of the origin and the character of India's representation on the League of Nations. Honourable Members will remember that it was as a result of the glorious contributions made by her during the world war that India in the first instance was recognised as a partner in the British Commonwealth and, finally, after the conclusion of the war, as a member of the International Association known by the name of the League of Nations. There are two aspects connected with her representation on the League of Nations which it is necessary for us to bear in mind. The Indian Continent is, as Honourable Members are aware, divided into two parts, British India and the India of the Ruling Princes and Chiefs. Both parts of the Indian Continent played their great part during the unparalleled conflagration through which the civilized world had to pass in the years 1914-1919, and, in consequence, it must be recognised that both of them are entitled to proportionate representation on the Indian delegation. In the second place, we must all bear in mind the fact, that, although India has now ceased to be a purely bureaucratic system of government, it has nevertheless not yet reached the stage of an entirely democratic system. It in fact occupies at present what may be characterised, and has often been characterised by speakers both in England as well as in India, as a transitional stage. I have no doubt whatever that, when the ultimate stage of full responsible government is reached, India's representatives, both on the Imperial Conference as well as in the Assembly of the League of Nations, will be selected in the same manner as are at present the representatives of other nations. But, until that stage is reached, the present practice of nominations of India's representatives on the League of Nations, three in number according to the Constitution of the League, will continue, as my Honourable friend Mr. Sethna has in a very reasonable way recognised, to be made in consultation between the Government of India and the Secretary of State for India.

Now, bearing these two considerations in mind, let us for a moment see what has been the actual state of things in the past. When, after the conclusion of the Armistice, all the powers represented on the side of the Allies met in conference in Paris to deliberate over the conditions of peace which were to be entered into between the Allies and the Central Powers. India was represented by the Secretary of State for India, Mr. Montagu, the Under Secretary of State for India, Lord Sinha, and His Highness the Maharaja of Bikanir. In other words, the Indian delegation at the Peace Conference in Paris consisted of the two British Ministers responsible for the Government of India in Parliament and an Indian Chief. In the following year, when the League of Nations came into existence and was formally constituted, the Indian delegation consisted of the High Commissioner, Sir William Meyer, who had been appointed to that high office only about that time and had been a Member of His Excellency the Viceroy's Executive Council here in this country, Sir Ali Imam, who also was once upon a time a Member of the Government of India and at that period occupied the responsible position of President of the Council in His Exalted Highness the Nizam's Government, and a Ruling Chief of India. In other words, in the very first year of the League's existence, India, instead of being represented by the two British Ministers responsible for the Government of India in the

1 P.M.

British Parliament, as had been the case at the Peace Conference in Paris, was represented by two ex-officials of its own, one of whom at that time was High Commissioner for India in England, and the other was occupying a high position in one of the Indian States. In the following year a further development in this representation of India on the League of Nations took place. The High Commissioner for India was still a member of the Indian delegation, but in the place of the second official an ex-official Member representing British India was substituted, namely, the Right Honourable Srinivasa Sastri, one of the leading and trusted public men in this country. Since then, as the House is aware, the constitution of the Indian delegation on the League of Nations has followed somewhat similar lines. In 1922-23 an *ex*-Viceroy of India and an Indian public man Sir Sivaswamy Aiyer in 1922, and Saiyid Hasan Imam in 1923 represented British India on the Indian delegation to the League of Nations. It will thus be seen that, even during the last four years of the League's existence, gradual development has been taking place in the constitution of the Indian delegation on the Assembly of the League of Nations somewhat parallel to the constitutional development which is taking place in this country.

Sir, the Government of India fully recognise that the wish expressed in the Resolution, which has been moved by my Honourable friend Mr. Sethna, is natural. In view of the fact that the next meeting of the Assembly of the League of Nations is to be held in September—and at present we do not know what will be the subjects for discussion at that meeting of the League—I hope the Honourable Mover will realise that, in those circumstances, it is somewhat difficult for me, on behalf of the Government of India, to give any definite undertaking. The appointment of representatives of India on the Indian delegation will depend to a considerable extent upon what are the subjects which have to be discussed. But the Government of India are prepared to give to the House this assurance, that the proposal embodied in this Resolution will receive their most careful consideration at the time when the nominations are to be made. Hitherto, as Honourable Members are aware, no one has ever been actually appointed a leader of the Indian delegation on the League of Nations. It is true that of the three members, as a matter of practice, the British member has acted as the leader because of his position and of his special qualifications, but no one has ever been actually appointed as a leader. As I said before, the wish embodied in this Resolution is natural, the Government of India fully recognise that fact, and the House may rest assured that the proposal will receive the most careful consideration of the Government of India when the time for appointment arrives. I hope that, under these circumstances and because of that assurance, my Honourable friend Mr. Sethna will think it advisable to withdraw his Resolution.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, the Honourable the Leader of the House has been good enough to say that my remarks were reasonable. May I be permitted to say his reply is still more so. I thank him for the assurance he has given and I hope, when he knows the subjects which are to be dealt with by the League of Nations next September, and if it is possible to respect the wishes of this House, and this country, he will see that the senior member of the delegation is an Indian gentleman.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member apply for leave to withdraw?

THE HONOURABLE MR. PHIROZE C. SETHNA: I do apply for leave to withdraw my Resolution.

The Resolution was, by leave of the Council, withdrawn.

RESOLUTION *RE* ESTABLISHMENT OF PIONEER SUGAR FACTORIES AND THE PROMOTION OF SUGAR-CANE CULTIVATION.

THE HONOURABLE THE PRESIDENT: Does the Honourable Sardar wish to move to-day, or on Wednesday?

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): Sir, it will be more convenient to-day, because I have another Resolution for Wednesday, but I leave the matter entirely in your hands.

THE HONOURABLE THE PRESIDENT: It is entirely for the Honourable Member to decide.

THE HONOURABLE SARDAR JOGENDRA SINGH: I beg to move:

"That this Council recommends to the Governor General in Council that a definite proportion of the duty collected on sugar may be devoted to the establishment of pioneer sugar factories and to the promotion of sugar-cane cultivation."

Briefly, Sir, the sugar industry is not only of Indian importance but of Imperial importance. It was during the war that a shortage of sugar was discovered and a Sugar Committee was appointed to find out ways and means for increasing sugar production in India to supplement what could be obtained from other parts of the Empire.

[At this stage the Honourable the President vacated the Chair, which was taken by the Right Honourable Srinivasa Sastri.]

It was then acknowledged that the sugar problem is an Imperial problem. The consumption of sugar amounts to 5,800,000 tons and the production to 4,000,000 tons. There is a deficit of 1,800,000 tons, and, if you look at the diagrams that were prepared by the Sugar Committee, almost half the area under sugar-cane in the world is in India. And yet we in India produce about 11 tons of sugar-cane per acre to 40 tons per acre in other countries. In the case of sugar-cane, as in the case of other crops, while other countries have improved their yields, we have neglected ours. Even to-day in Burma, in Madras, in the United Provinces, in the Punjab, Powndah cane is grown equal to any cane in the world. What we need is organisation, so that these good canes may be multiplied under intensive cultivation. The request I am making to the Government is a simple one, namely, that sugar-cane may be placed on the same footing as cotton. In the case of cotton a cess has been imposed, as recommended by the Cotton Committee appointed by the Government. The president of that Committee was Mr. MacKenna, who also presided over the Sugar Committee. The Government of India not long ago passed the Cotton Cess Bill. The entire income realised from this cotton cess is now to be used for improving and growing better varieties of cotton. A Central Cotton Committee has been formed, which is to look after the spending of this cotton cess and to help the introduction of improved varieties of cotton.

In the case of sugar-cane, Sir, nothing has been done, though the Committee's report was published in 1920. Since the report was published the Government has realised in duty—

	Rs.
in 1918-19	1,69,43,000
in 1919-20	1,28,11,000
in 1920 21	1,09,17,000
in 1921-22	6,50,69,000 and
in 1922-23	4,40,95,000

In spite of the jumps the duty has made not much more has been spent on improving sugar-cane cultivation in this country. Now, Sir, on behalf of Indian cultivators, I put it, that some part of the duty that has been realised may be spent in the Provinces, where sugar-cane is largely grown, in promoting intensive agriculture and in bringing sugar-cane cultivation on to a level with other countries of the world.

Another factor, Sir, to which I wish to draw the attention of the House is this. We are going to set up protective tariffs in no remote future. As we are about it we might take into consideration our primary industry, I mean agriculture, which would lead to the general prosperity of the country. The cultivation of sugar-cane could be used as a means of promoting intensive agriculture in the country and at the same time providing the large amount of sugar which we, every year, import. I have again to quote figures which I hope will not tire the House. In 1919 we imported sugar worth 21 crores; in 1922 we imported sugar worth 26 crores; and in 1923 we imported sugar worth 27½ crores. All this sugar, Sir, according to the report of the Sugar Committee, would to-day be made in India if the Government had taken action on the recommendations that the Committee made. It was held by the Sugar Committee that roughly Indian consumption of sugar amounts to 2 million tons of *gur* and 1 million tons of sugar. It was at the same time pointed out that from the waste that goes on at present we can make nearly a million tons of sugar if we only adopt modern methods of manufacture. If intensive agriculture were also introduced, the yield from the present area could be doubled. As I am on the point, Sir, I would draw the attention of the House, that I am not speaking merely theoretically, and that experiments have been made in India which have proved that under proper conditions the same yield as in Java can be secured. At Shahjahanpur and at Marjari in the Bombay Presidency, we have obtained as much as 30 to 40 tons per acre, as against 11 tons per acre which the ordinary producer gets on an average field. Then, Sir, a very interesting experiment was started by Dr. Barber which in the hands of a capable officer, Mr. Venkataraman, who has been in charge of the sugar station at Coimbatore for many years, has greatly prospered. He has produced canes which is a cross between the thick canes and the ordinary thin canes. These canes in Bihar and the Punjab have been grown with great success, giving 30 tons per acre where we could only grow 11 tons to the acre. The field for development has therefore greatly broadened. I beg that the Government may now be pleased, in their beneficent activities, to promote the development of sugar-cane production in India. Just imagine if over the greatest area in the world, the yield of cane were to be doubled and at no great cost, what a great boon it would be both for the producer and the consumer! On Government farms, where the experiments have been made, the cost has not been very much greater than in Java. For instance, in Java we get about

[Sardar Jogendra Singh.]

1,000 maunds of cane to the acre and the cost per maund of cane is 4 annas. In Shahjahanpur we have secured 838 maunds of cane to the acre and the cost has been 5 annas a maund. In Marjari in Bombay yields have come up to 1,069 maunds per acre and the cost at the factory to about 5 annas per maund. You will admit that these costs compare favourably with Java, and when you realise that the area in India is about seven times that of Java, which sends to India the largest amount of sugar, does it not seem strange that we in India should go on following primitive methods and do nothing to acquire this new wealth which is so easily available? I need not draw attention to what other countries have done in promoting their sugar industry—particularly Japan which by the supply of better strains, rebates, subsidies and other things has established a strong and flourishing industry in Formosa. Even in England during the war all attempt was made to introduce beet sugar and efforts are still being made in that direction. Then why in India, which is the home of the sugar-cane, should we not organise the sugar industry to its utmost capacity? You will possibly ask me, Sir, why it is that, if sugar-cane is such a good thing, private enterprise is not able to take care of the industry and reap the wealth that is so easily available? The Sugar Committee very pertinently pointed out that the one need for establishing a great sugar factory was that it should be situated amidst a fairly large cultivated area, that you cannot start a central sugar factory without at least 10,000 acres of land under cane somewhere in the neighbourhood. You cannot cart sugar-cane more than a hundred miles, even that often leads to deterioration. One great need of the sugar factory is that it should be in the heart of the sugar-yielding tracts. Now what has happened is this: we have many districts where sugar-cane is under cultivation; sometimes as much as 50,000 acres of sugar-cane is available in a District, but it is so scattered that it cannot easily reach the factory. Then again, without a fairly large plantation the sugar factory is at the mercy of the producers; it cannot depend on getting all its cane straight to the factory at a fairly reasonable price. The Sugar Committee therefore recommended that certain areas should be reserved, if possible, and that the Government should start a pioneer sugar factory. As I am on the point, I may say that the production of sugar-cane has passed beyond the experimental stage in Bihar; a great many factories have sprung up and under the able management of Begg, Sutherland & Co. are yielding very large profits. If you look at the capital of these companies you will see that some of the factories have accumulated reserves which are much larger than the capital itself. In the United Provinces and the Punjab the sugar factories have not come into our own. The necessary land to establish a large plantation is not available; the people are shy of contributing capital, and the whole industry suffers; and yet the largest area under cane is in these two provinces. The United Provinces top the list and then comes the Punjab, and yet, if you look around, there is not a single modern sugar factory in the Punjab; in the United Provinces we have one or two but they too are behind Bihar in many respects.

In recommending this Resolution to this Council all that I need say is that the principle of using cesses has been recognised by the Government in the case of cotton. The case for sugar is stronger than that of cotton. I recommend that the Government may use a very small part of the duty, say about a crore a year out of six crores in the next five years, to establish pioneer factories in the provinces.

The Sugar Committee proposed also other ways of raising capital, if the Government wanted to do so. The investment, if the report of the Sugar Committee is to be relied upon, would not be unproductive. They put down, in those days, that the capital needed for establishing a 1,000 ton factory would be Rs. 59 lakhs and the Committee prepared a balance sheet showing that the profit would be in no case, even if the price of sugar went down to Rs. 12 a maund, less than 9·43 per cent. The prices of plant for sugar factories have since fallen; the capital needed would be much smaller and the profits naturally much greater, as the prices of sugar have remained fairly high. I hope the Honourable the Member for Education, Health and Lands will tell us if any fluctuations in prices have taken place and made any material change. At the same time, Sir, the Sugar Committee laid great emphasis that capital if needed, can be raised by a loan issued specifically for this purpose in the form of debentures on which Government would guarantee 7 per cent. interest free of income-tax, and the holders of which would also share equally with the Government in any profits above 7 per cent. up to 13 per cent. The debenture holders would thus receive a definite guarantee of 7 per cent. interest on their holdings and would also have the possibility of obtaining a further 3 per cent. I have read these extracts to point out that, if the Government ventured to help the sugar industry, they would not only be assisting this industry, but would make a profitable investment as well.

With these words, Sir, I commend this Resolution to the Council. There are a few photographs here showing different kinds of cane grown in these Government farms which I circulated to the Members to see what great results have been obtained.

THE HONOURABLE SIR NARASIMHA SARMA: Sir, I am glad that the Honourable Sardar Jogendra Singh has directed the attention of the Government and the Council to this important subject by means of his Resolution. The Government have not lost sight of the subject since the last discussion in the Council about two years ago. They have invited the attention of all the Local Governments concerned to the various recommendations of the Sugar Committee and impressed upon them the desirability of continuing research, of finding new areas for the growing of sugar-cane and of developing the manufacture of sugar. The Honourable Member has already told you that through the efforts of the Government their expert at Coimbatore has been able to evolve a type of cane which has been shown to yield about 50 per cent. if not more juice than the cane which is now grown in the United Provinces and in the Punjab and Bihar. I have recently had a very interesting conversation with Mr. Venkataraman on the subject and he hopes to be able to solve on the botanical side the problem of finding a cane suitable to the climatic conditions prevailing in Upper India and enabling factories to continue the process of manufacture without a break, so that the yield to the manufacturer may be nearly as good as it is in Java.

THE CHAIRMAN: May I interrupt the Honourable Member? The Honourable Mover has had unfortunately to leave owing to a pressing engagement. I should like to ask the Honourable Member in charge whether it would not be more convenient for him to answer when the Honourable Mover of the Resolution is present. He has requested me to say that it would be convenient if the debate could be adjourned till Wednesday. He is not in his place now.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): The Honourable the President asked the Honourable Mover if the debate could be adjourned till Wednesday, and he said that he would prefer to discuss the Resolution to-day, and it seems to me, Sir, that the Honourable Mover is treating us with scant courtesy in abruptly leaving the Chamber, leaving the debate unfinished.

THE CHAIRMAN: I much regret it, because the matter is not in my hands. He has left me word to say that he would like the discussion to be adjourned till Wednesday. I am entirely in the hands of the House.

THE HONOURABLE SIR NARASIMHA SARMA: It is rather unfortunate, but I think I should not press the point. I have no objection to the discussion being continued on Wednesday, if the House so desires.

The motion that the debate be adjourned till Wednesday, the 12th, was adopted.

The Council then adjourned till Eleven of the Clock on Tuesday, the 11th March, 1924.

COUNCIL OF STATE.

Tuesday, the 11th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

PREVENTION OF *Jathas* PROCEEDING FROM BRITISH TERRITORY TO JAITO.

132. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) When did the Government come to know that the Akali *Jatha* that had recently conflict with the Nabha Administration was about to leave British Indian territory for Jaito?

(*b*) What steps did the Government take to prevent the *Jatha* leaving British Indian territory and going to Jaito?

(*c*) If no steps were taken to prevent this, would the Government please state why no such steps were taken?

(*d*) Do the Government propose to take any steps, in future, for preventing *Jathas* leaving British Indian territory?

(*e*) Is it a fact that a portion of the *Jatha* came from a neighbouring Indian State and passed through British India?

THE HONOURABLE MR. J. CRERAR: (*a*) Information of the departure of the *Jatha* from Amritsar on February 9th was received on February 10th.

(*b*) and (*c*) The conditions on which the *Jatha* would be allowed to perform religious ceremonies at Jaito were announced as soon as the fact of its departure was known to the Government of India and formal notice of these was given to the *Jatha* on at least three occasions during its march. No other steps were taken to prevent its leaving British territory as Government were not then prepared to assume that it would depart from its proclaimed intention of peacefully celebrating such ceremonies. Any forcible steps to disperse or restrain the *Jatha* would have involved a contrary assumption, and Government desired to make it clear that all reasonable facilities would be granted for a *bona fide* religious observance.

(*d*) Information has been received that a second *Jatha* left Amritsar for Jaito on February 28th. It is understood that the organisers of the *Jatha* have appealed to the Sikh public to refrain from joining it on its march, and, if this appeal is complied with, the risk of any breach of the peace will be materially reduced. Further action must however necessarily be determined by the actual circumstances of the case.

(*e*) Not so far as Government are aware.

THE HONOURABLE SARDAR JOGENDRA SINGH: May I inquire whether, if the *Jatha* give an undertaking that they will not take any part in

politics whatsoever, it will be allowed to proceed and perform the Granth Path?

THE HONOURABLE MR. J. CRERAR: I would invite the Honourable Member's attention to the terms of the announcement which was made in the press. It was there clearly laid down that, provided the *Jatha* undertook to abstain from any political activity during their sojourn in Naba territory they would be allowed to enter the Gurdwara to perform their ceremonies.

THE HONOURABLE SARDAR JOGENDRA SINGH: The whole of the *Jatha*?

THE HONOURABLE MR. J. CRERAR: They will be allowed in batches of 50 at a time. If those conditions are accepted by the *Jatha*, there will be no obstacle placed in the way of the whole *Jatha* being permitted to perform the religious ceremonies.

THE HONOURABLE MR. S. VEDAMURTI: Will the Honourable Member tell us if this second *Jatha* had arms and weapons or not?

THE HONOURABLE MR. J. CRERAR: I have no information on that point, Sir.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it a fact that the organisers of this *Jatha* have offered that the *Jatha* should be searched at whatever place the authorities please, specially before they enter Naba territory, and if so, have any steps been taken in this behalf?

THE HONOURABLE MR. J. CRERAR: Will the Honourable Member repeat the question?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it a fact that the organisers of the *Jatha* have suggested and offered that the *Jatha* should be searched at whatever place the authorities please, and specially before they enter Naba territory, and if so, have any steps been taken to do so before they enter the Naba territory?

THE HONOURABLE MR. J. CRERAR: No, Sir. No such intimation has been received by the Government of India.

THE HONOURABLE SAIYID RAZA ALI: With reference to the Honourable Member's reply just given, are Government prepared to say whether recourse would be had to force if the *Jatha*, consisting of 500, refuse to go to the Jaito Gurdwara in batches of 50 each?

THE HONOURABLE MR. J. CRERAR: I regret once more that I must ask the Honourable Member to repeat the question. The precise point did not reach my ears.

THE HONOURABLE SAIYID RAZA ALI: The question, Sir, is this. The *Jatha* consist of 500 persons and the terms that have been offered to this *Jatha* are that if they are prepared to go in batches of not exceeding 50 each to the Jaito Gurdwara, they would be allowed to do so. What I want to know is, if the *Jatha* refuse to accept these terms and insist on marching in their full number, namely, 500, would recourse be had to force in dispersing this *Jatha* of 500?

THE HONOURABLE MR. J. CRERAR: In reply to that, Sir, I can only say that, if the Honourable Member will prophesy to me what will happen.

I shall be in a better position to indicate the measures that will be taken. All I can say is that I hope and trust that nothing untoward will happen.

THE HONOURABLE SARDAR JOGENDRA SINGH: If the *Jatha* give an undertaking not to take any part in political activities, I thought that the Government were going to allow the *Jatha* to proceed and complete the Granth Path. Is not that so?

THE HONOURABLE THE PRESIDENT: The Honourable Member has had an answer on that point in reply to his previous supplementary question.

APPOINTMENT OF MEMBERS OF THE INDIAN CIVIL SERVICE AS SECRETARIES AND DEPUTY SECRETARIES DURING THE LAST FIVE YEARS.

133. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please lay on the table a statement showing what members of the Indian Civil Service have been appointed as Secretaries and Deputy Secretaries to the Government of India during the last five years and from what provinces?

THE HONOURABLE MR. J. CRERAR: The information asked for is being collected and will be laid on the table.

AMENDMENT OF THE INDIAN LIFE INSURANCE COMPANIES ACT, 1912.

134. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state—

(*a*) if they have received any requests from commercial bodies and others—

(i) to amend the existing Life Insurance Companies Act, 1912, and

(ii) to introduce fresh legislation to require Indian and non-Indian companies doing fire, marine, workmen's compensation or other kinds of insurance work to furnish details of their premium income, etc.;

(*b*) if the reply to (*a*) is in the affirmative, will such legislation be introduced during this Session, and if not, why not?

THE HONOURABLE MR. D. T. CHADWICK: The present Indian Insurance Act relates only to Life Insurance. The Government of India consider that a mere amendment of that Act would be unsatisfactory. They therefore consider it preferable to introduce legislation repealing that Act and dealing with life, fire and employers' liability. Marine and other forms of insurance will probably also be covered in so far as they form part of the business of a company transacting life, fire or employers' liability insurance. It was not possible to prepare such a comprehensive Bill in time for consideration this Session. Progress has however been made in preparing a draft and it is expected that commercial opinion will be consulted upon it during the ensuing months.

THE HONOURABLE MR. PHIROZE C. SETHNA: Is legislation likely to be introduced in the next Session in May?

THE HONOURABLE MR. D. T. CHADWICK: That will depend on how long the commercial bodies will take to formulate their opinions. In May? I do not expect that that is likely.

THE HONOURABLE MR. PHIROZE C. SETHNA: In September?

THE HONOURABLE MR. D. T. CHADWICK: In September? That will depend on how long commercial bodies will take to give us their views.

THE HONOURABLE MR. PHIROZE C. SETHNA: Do I understand that companies which do exclusively marine business are proposed to be left out?

THE HONOURABLE MR. D. T. CHADWICK: As the draft is, such companies would be left out, as the Government of India are not aware that many in India are concerned solely with that class of business. If there are many such, I have no doubt that the reports which we will receive from commercial opinion will certainly bring them to notice.

THE HONOURABLE MR. PHIROZE C. SETHNA: There are no Indian Marine Insurance Companies doing exclusively marine business but there are certainly non-Indian companies doing exclusively marine business in this country.

INDIAN TOLLS BILL.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): I put a question yesterday with a view to ascertain as to what had been the fate of the Indian Tolls Bill, which was passed by this House on the 21st February last. It so happened, Sir, that at the time the Leader of the House was not present here, and therefore, no information could be had in reply to my question. Now, it is gratifying to note that the Honourable the Leader of the House is in his place this morning. I would like to know as to what has been the fate of this Bill, and further what steps the Government representative, the Leader of the House, proposes to take in connection with that question. I may simply say that that involves a very nice constitutional point and therefore we will have to go through it very carefully. It would be premature for me to point out as to what that constitutional point is till I get a reply from the Honourable the Leader of the House.

THE HONOURABLE THE PRESIDENT: I may say that if it is a question between the two Houses, the communication is not made to the Leader of the House but to the President of this Chamber. That is the manner in which this House receives intimation of the action of the other House, not by a communication to the Leader of the House but by a message to the President. When the Honourable Member raised the point yesterday I made inquiries and so far no message has been received, but I am informed that it is likely that a message will be received. When it is so received, then we shall have seizin of the matter and the Honourable Member's point can be gone into. Therefore I suggest to him that he renew his question to-morrow. It is important that we should observe the formalities on all these matters.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, in the observations that fell from my Honourable and learned friend, a short while ago he seemed to me to make a point of the fact that I was not in my place yesterday morning when he put the question to which he has referred. If I may venture to say so, Honourable Members of

this House who have not placed a question addressed to the Leader of the House on the agenda and have not even given private notice of that question to the Leader of the House are not entitled to make the complaint which my Honourable friend did this morning.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): Sir, I wish to make a personal statement. It seems that yesterday I caused a certain amount of misunderstanding. The facts were these. Just before the Council met yesterday Mr. Graham asked me if I would move my Resolution that day. I told him that I would like to move it that day and that it might be discussed on another day, that is, Wednesday. He told me that there would be an afternoon Session of the Council and that the Council would adjourn at 1-30 for Lunch. So, when you called on me to speak on the Resolution, I spoke right up to 1-30 hoping that the Council would be adjourned for Lunch at 1-30. At 1-30 the Honourable Sir Narasimha Sarma got up and the President who was then the Right Honourable V. S. Srinivasa Sastri permitted him to speak. I immediately went to Mr. Graham and he referred me to the Chair. The Chair permitted me to go saying that the Council would be adjourned but not till the afternoon, because Members would like to have the Resolution taken up on Wednesday next. It was with his leave that I retired. But if unconsciously I sinned, I hope the House will permit me to make my sincerest apologies to it.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non-Muhammadan): Sir, when I had the honour to occupy your Chair yesterday, and the Honourable Sardar Jogendra Singh spoke to me, I did not understand that he was taking my leave. If a Member had a pressing engagement and told me he had to go, it was not within my province to restrain his movements.

THE HONOURABLE THE PRESIDENT: I think there has been some slight misapprehension in the matter, and I am sure that the House will willingly accept the expression of regret that fell from the Honourable Sardar Jogendra Singh. I understand that the discussion has, as a matter of fact, been postponed till Wednesday and I suggest to the Council therefore that it will let the matter rest there.

DEATH OF THE HONOURABLE MR. G. M. BHURGRI.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: (East Punjab: Muhammadan): I wish to inform Honourable Members and you, Sir, of the sad news that has been received from Hyderabad of the untimely death of Mr. Bhurgri. He was an *ex*-Member of the Council of State and I think he served as a Member here for two years when he resigned. Then he proceeded to Europe for treatment and was treated there for some time. But, when he came back, he was still ailing. All the same he stood for election to the Assembly and was elected as a Member. We all expected to meet him here but Fate decreed otherwise, and he expired yesterday, leaving his family and his many friends to mourn his sad death. I am sure all Honourable Members knew him very well. He took an active part in all political activities and was considered a very sensible

[Sir Zulfiqar Ali Khan.]

young man. He was one of the few Muhammadan landlords in that province who distinguished themselves in political life. Although there are many landlords in Sind and very big ones too, unfortunately they are not educated and do not take any interest in political life at all. But he was one of those few who distinguished themselves in political life. Therefore, I think his death is a great loss to the Muhammadans of Sind and to the Legislative Assembly. As an *ex*-Member of this Council he helped in the debates and took an intelligent part in its discussions, and I have no doubt that we all mourn his loss very deeply.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): I support my Honourable friend Sir Zulfiqar Ali Khan in the views he has just expressed. I think the Muhammadans of India, and specially those of my Presidency, will deeply mourn the sad and untimely loss of our old friend the Honourable Mr. Bhurgri. He took a most prominent part in Muhammadan education. He was once the President of a Muhammadan Educational Conference held at Poona. He was also elected the President of the last Session of the All-India Muslim League and took a leading part in many other activities pertaining to all communities. I think it would be a graceful act if this Council sends a message of condolence through the President to his family.

THE HONOURABLE KHAN BAHADUR NAWAB SIR MOHAMED MUZAMMIL-UL-LAH KHAN (United Provinces, Nominated Non-Official): I associate myself with my friends in this matter but would refer to Mr. Bhurgri's death as a loss not only to the Muslim community but to the whole of India. He was an Indian public man who served all through his life for the good of India, and therefore I think his family deserves the sympathy of this House without any distinction of any particular creed and religion.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, Government have heard with deep regret the news of the untimely death of Mr. Bhurgri. Mr. Bhurgri was a prominent figure in this House some time ago and had recently been elected as a Member of the other House, but unfortunately his public activities have been cut short owing to his failing health and his untimely death. I associate myself with the expressions of sympathy to the relations of the deceased, which have fallen from the lips of my friend the Honourable Sir Zulfiqar Ali Khan.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non-Muhammadan): Since through a pure accident four Muhammadan speakers have paid their tribute to the deceased, it seems fitting that one of the Hindu members who knew him very intimately should say a word on this point. The Honourable Mr. Bhurgri was a great personal friend of mine. Above everything else, he represented not purely Muhammadan India, but the whole of India. I believe he was one of those who sincerely believed that the future of this country was bound up with the bringing about and the maintenance of amicable relations between the two great communities, and his efforts in this direction were energetic and unceasing. No more shall we have his genial presence amongst us. No more, Sir, will he hug me as he used to do to his bosom whenever he met me. No more shall I hear him call me Madras Brahmin in playful allusion to the unfortunate split in that land. No more shall we see his simple, straightforward

manners. He was a loyal friend and a devoted patriot. I associate myself with the sentiments of grief that have been expressed.

THE HONOURABLE THE PRESIDENT: I also have heard with great regret the news of the death of Mr. Bhurgri. He was in the old Imperial Legislative Council and, as has been pointed out, he was a prominent member of this House for the first year of its existence. It is clearly the unanimous desire of this House that an expression of sympathy should be conveyed to his family through the usual channel, and I shall see to it that the wishes of the House in this matter are carried out.

REPEALING AND AMENDING BILL.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I beg to move:

"That the Bill to amend certain enactments and to repeal certain other enactments, as passed by the Legislative Assembly, be taken into consideration."

A glance at the 5th column of the First Schedule to the Bill, copies of which are in the hands of Honourable Members, will make it clear that 7 out of the 8 amendments which are sought to be made in the various enactments specified in the third column consist of mere corrections of clerical or printing errors and the eighth amendment in section 564 of the Code of Criminal Procedure is merely designed to make clear the point specified in that column. Similarly, a perusal of the explanation given in the 5th column of the Second Schedule will show Honourable Members that, while one of the five repeals which this Bill seeks to make is designed merely to correct a clerical error, the remaining four repeal certain enactments which have become in process of time either obsolete or unnecessary.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend certain enactments and to repeal certain other enactments, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The question is that clauses 1, 2, 3 and 4, and the Preamble do stand part of the Bill.

The motion was adopted.

Clauses 1 to 4, and the Preamble were added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is that the First Schedule and the Second Schedule to the Bill do stand part of the Bill.

The motion was adopted.

The First and Second Schedules were added to the Bill.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I beg to move that the Bill, as passed by the Legislative Assembly, be now passed.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend certain enactments and to repeal certain other enactments, as passed by the Legislative Assembly, be passed."

The motion was adopted.

RESOLUTION *RE* RATIFICATION OF THE INTERNATIONAL CONVENTION FOR THE SUPPRESSION OF THE CIRCULATION OF, AND TRAFFIC IN, OBSCENE PUBLICATIONS.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, before I formally move the motion standing in my name I request your permission and the permission of the House to make a small verbal correction. I propose to substitute for the last words in the Resolution 'the age of 20 years' the words 'a certain age,' my object being, inasmuch as I merely propose to ask the House to assent to a general principle, to eliminate an item of detail which, if the Resolution is accepted by the House, could more conveniently be considered in the course of legislation.

THE HONOURABLE THE PRESIDENT: Certainly.

THE HONOURABLE MR. J. CRERAR: Then, Sir, I move:

"That this Council recommends to the Governor General in Council:

(1) that India do ratify the International Convention for the Suppression of the Circulation of, and Traffic in, Obscene Publications dated the twelfth day of September One Thousand Nine Hundred and Twenty-three, which was drafted by the International Conference which met at Geneva under the auspices of the League of Nations on the 31st August, 1923;

(2) that in the legislation to be introduced in the Indian Legislature in accordance with the provisions of the Convention, it should be made an aggravation of the offence of the offer, delivery, sale or distribution of obscene matters or things if such is made to persons of either sex below a certain age."

The papers which have been circulated to Honourable Members are probably sufficient to give them a clear idea of the object of my Resolution, but it is perhaps desirable that I should supplement it by a brief narrative of the circumstances which have led up to it.

In the year 1910 an International Conference was convened at the instance of the French Government and framed an agreement for the suppression of obscene publications. The agreement was, as a matter of fact, of a purely administrative character and very limited in scope. It did not go much further than to provide for the international interchange of information for the purpose of the discovery and suppression of offences relating to obscene publications, and for the establishment in the territories of each of the contracting Powers of some authority on whom should devolve the duty of this work of co-ordination and of intelligence. The Conference did proceed to draft a Convention of a legislative character, but unfortunately, owing to the war and the even graver pre-occupations which it entailed, no further progress was made until after the Armistice. To that original agreement, the agreement of 1910, India adhered in 1913. She adhered, I must admit, with some hesitation because she felt—or those who spoke for her felt—that in this matter India was more sinned against than sinning. Nevertheless, though India might benefit less materially by adhering to the agreement than some of the other Powers, it was felt in the first instance that some measure of protection against these publications was a proper measure to take. The second and the prevailing consideration was that it was undesirable that India should seem unwilling to support or out of sympathy with the aims and objects of the agreement. The matter, as I have already indicated, was revived after the Armistice at the third session of the

League of Nations and was laid before the League of Nations at the instance of the British Government, and certain Resolutions were passed desiring the French Government, in view of the initiative which that Government had taken in 1910, to convene a conference for the purpose of considering it further. In pursuance of these Resolutions, an International Conference met, at the invitation of the French Government, at Geneva under the auspices of the League of Nations. The Indian delegate was Sir Prabhashankar Pattani. Again, in view of the initiative taken by the French Government in this matter, it was unanimously decided that the French delegate, M. Gaston Deschamps, should be elected President. The Conference paid India the compliment of electing her delegate, Sir Prabhashankar Pattani, to be Vice-President of the Conference. And I may remark that the British delegate, in his report to the Secretary for Foreign Affairs, paid a tribute to the admirable skill with which Sir Prabhashankar Pattani filled his position and the substantial assistance which on several occasions he gave to the Conference in the settlement of, and in securing agreement on, difficult matters of controversy. Well, Sir, the Conference drew up a Convention which in several respects marks a distinct advance on the agreement of 1910. It was agreed to unanimously and signed by over twenty States, subject to the ratification of their respective Legislatures, and it is to the ratification by India of this Convention that I now seek the approval of this Council. I do not think, Sir, that I need say very much to commend this Resolution to the Council. I said that, when the question of adhering to the agreement of 1910 was under consideration, it was felt in India that India suffered a great deal more by this demoralising traffic than she participated in it. That is still true. Nevertheless, I regret to say that, since the war, there has been a very material increase in the importation into India of matter of this character. I will not inflict upon the House any elaborate details, but it is important for the House to remember that the methods of reproducing and of disseminating matter of this character have unfortunately, as one of the by-products of the advance of science, been materially extended and India undoubtedly suffers a great deal more from the consequences of that traffic than she did 14 years ago. Only recently, within the last few days, a circular directed to an address in Bangalore fell into my hands which had been issued by a firm in Hamburg, which was a typical instance of the traffic carried on mainly from some of the continental countries of Europe.

My first point, therefore, is that we must to a very considerable extent revise our estimate of the dangers to which India is exposed. India would be well advised to take measures to protect herself against this demoralising traffic because, on the evidence at my disposal, I would hardly hesitate to say that even the traffic in pernicious drugs, even that traffic in women and children which has very recently occupied the attention of this House, even those traffics, are hardly more dangerous in their potentialities or more demoralising than that which is now immediately under consideration. But I do not base my case solely on a measure of self-protection. I am convinced that, in a matter of this kind, when an appeal is made by nearly all the civilised nations of the world for her assistance and co-operation in suppressing this dangerous traffic, India will not be behind hand in taking her share in the promotion of public morality, not only here in India but throughout the world.

[Mr. J. Crerar.]

Now, Sir, Honourable Members will observe that the operative articles of the Convention, so far as our present purpose is concerned, are Articles I, IV and V. Article I is of the greatest importance because it indicates the offences for which it is proposed that penal provision should be made where such provision does not already exist. Article IV says that the contracting parties, whose legislation is not at present adequate in respect of the offences specified in Article I, shall take steps to put their legislation in order, and Article V makes a further provision on the same lines. An examination of the Indian law on the subject indicates, as a matter of fact, that very little amendment or extension of the law will be necessary. We have of course, under the Sea Customs Act, ample legal means—which is of course not quite co-extensive with practical means but we have at any rate legal sanction—for the prohibition of the entry of obscene matter into India. We have also under the Post Office Act means for preventing the transmission of such matter through the post. But we are not now concerned merely with measures for preventing transmission. We are concerned more particularly with stiffening up our penal provisions and making the results of the infringement of our law in the matter more deterrent. The two relevant sections of the Indian Penal Code are sections 292 and 293. Section 292 penalises the selling, distribution and importation thereof for sale or hire or exhibition to public view of any obscene book, pamphlet, printing, paper, representation or figure, etc., and section 293 penalises the possession of any such obscene book or other things just mentioned in the preceding section, for the purpose of sale, distribution or public exhibition. These two sections are pretty wide in their scope. But they are not entirely co-extensive with Article I of the Convention, and it will be necessary for us to examine whether, and if so, to what extent, it is necessary for us in carrying out our undertakings under the Convention to amend these two sections.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (West Bengal: Non-Muhammadan): We also have a provision for the destruction of these in the Criminal Procedure Code.

THE HONOURABLE MR. J. CRERAR: Quite so. We shall probably have to extend the provisions of section 98 of the Criminal Procedure Code also so as to cover searches for the specific object which the Convention has in view. It is also recommended in the final act of the Conference that it should be made an aggravation of the offence if the offer, sale or distribution of obscene matter or such other things is made to young people. I think that is a suggestion which will commend itself to the House.

THE HONOURABLE SIR MANECKJI DADABHOY: (Central Provinces: General): Will the Honourable Member kindly let us know whether there are any special reasons why the age of 20 has been fixed?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: That has been amended now to " below a certain age ".

THE HONOURABLE MR. J. CRERAR: I touched on that point in my opening remarks and I might perhaps add for my Honourable and learned

friend's information that we merely, as a provisional suggestion, took the age of 20 as roughly the age of adolescence. It is perhaps the age most peculiarly liable to receive evil influences. But, as I said, that is a matter which can properly and more conveniently be considered in the stage of legislation. The recommendation of the Conference was that we should make the offence involving delivery of obscene matter to young people an aggravated offence, and that could easily be attained by raising the sentence under sections 292 and 293 in the special circumstances of young people perhaps to six months. The case would still be technically a summons case and the procedure the same as for the lesser offence. These, however, are matters of detail which I merely mention by way of illustration to the House. I have no desire to commit them in any way to any decision on details of this character. The consideration of these matters will necessarily be reserved for the stage of legislation in the event of this Resolution being passed.

I do not think I need add much more. I desire only to emphasise two points. The first is that we have unfortunately evidence that the baneful effects of this traffic have materially increased since the conclusion of the war, that the importations into India of matter of this character have materially increased, and it is highly desirable that India should take steps to protect herself against it. As I have said before, I rely not so much on that consideration, but on the strong hope and confidence that India, whatever her own domestic individual interests in the matter, will not refrain from a gesture of sympathy and co-operation to the other civilised States who have subscribed to this Convention in a matter which concerns the morality of the whole world. Sir, I move the motion standing in my name.

THE HONOURABLE DR. DWARKANATH MITTER (West Bengal: Non-Muhammadan): Sir, I rise to support the motion moved by the Honourable Mr. Crerar. I congratulate the Government on its taking an initiative in this matter. Sir, I can assure the Honourable Mr. Crerar that India does not lag behind any other civilised nation of the world in its sense of decency. Its sense of purity is as high as that of other civilised nations of the world. Sir, one recognises the extremely deleterious effect which the importation of obscene literature and objects has on young minds which are open to impression. The object, as it appears from one of the paragraphs in the Convention, is that it should be an aggravation of the offence if these articles are offered for delivery or sold or distributed to persons who are minors. With regard to that, Sir, in India, the age of majority is reached at 18. There are other places in the continent of Europe where the age of majority is not reached before 25. In these circumstances, the suggestion which I should make with reference to paragraph 2 of the Resolution is whether it could be altered in this way instead of the way in which it has been suggested it should be altered—"if such is made to young persons of either sex." That would be in consonance with what has been stated in paragraph 4 of page 6 of the papers which have been circulated to us, where the Conference has expressed the wish that the legislation of each country may prescribe an aggravation of the penalty, if the offer, delivery, sale or distribution of obscene matters is made to young people. Of course, it must be left to legislation to determine as to what age would be covered by the use of the expression "young persons". That would be a matter of detail and ought to be left to the Legislature. The phrase "certain

[Dr. Dwarkanath Mitter.]

age " is very vague. It may perhaps go beyond the age of adolescence which varies, as I have said, in different countries. I do not know if the Honourable Mr. Crerar will accept the amendment that I propose instead of the amendment which he has suggested in the Resolution as it stands on the paper.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member move it?

THE HONOURABLE DR. DWARKANATH MITTER: Yes, I move an amendment that in clause (2) of the Resolution as it stands on the paper, instead of the words " persons of either sex below the age of 20 years " the words " young persons of either sex " be substituted.

THE HONOURABLE THE PRESIDENT: To the Resolution under consideration, amendment moved:

" That in paragraph (2) the words ' below a certain age ' be omitted, and before the word ' person ' the word ' young ' be inserted."

That amendment and the Resolution are now open to the discussion of the House.

THE HONOURABLE MR. J. CRERAR: I have no objection whatsoever to the amendment which has been moved, but I should like to point out that the slight verbal change which, with your permission, I have made in the original Resolution was not unadvised. The use of the phrase " young persons " is not unknown to legislation. It occurs for instance in some of the Factory Acts and, as there used, would obviously be inapplicable to the case at present under consideration. I think that it would be advisable to avoid even the slightest tincture of prejudice which the employment of a phrase which already has a certain legislative sanction but which would not be quite germane to our purpose might entail, and hence I used a term of greater generality. Subject to these remarks, I leave it entirely to the sense of the House whether my Honourable friend's alternative or mine is adopted. I, merely as a matter of caution, desire to explain the reasons which led me to employ a term of greater generality.

THE HONOURABLE MR. PHIROZE C. SETHNA: I would only like to know on whom lies the onus, if the amendment passes, to prove that the person is young, or if the Resolution passes, that the person is below 20 years of age. (*A Voice*: " That will be provided in the law.") (*The Honourable Dr. Dwarkanath Mitter*: " The words are ' certain age '.")

THE HONOURABLE THE PRESIDENT: The Resolution before the House has been altered by the Honourable Member (Mr. Crerar) and the words have been changed into " persons of either sex below a certain age."

THE HONOURABLE MR. PHIROZE C. SETHNA: I take it that " certain age " will be defined in some Act. (*The Honourable Dr. Mian Sir Muhammad Shafi*: " By subsequent legislation ".) Then I should like to know whether the legislation will define on whom will lie the onus to prove a certain age.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Might I point out that in all criminal prosecutions the onus lies on the prosecution to prove that the facts of the case bring the offence with which a person is charged within the purview of the particular section. In order to bring any person charged with an offence under the section which will be embodied in the subsequent legislation, it will be for the prosecution to prove that the person to whom such offer, delivery, sale or distribution was made is under the age specified in that legislation.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I am rather inclined to leave the Resolution, as put forward by Mr. Crerar, as it is. I am of opinion that in framing propositions of this sort we should avoid expressions which bear a dubious meaning and which will cause complication in the task of legislation which we shortly propose to undertake. I am not aware that anywhere in our Acts "young person" has been defined, not even in the Factory Act. The Honourable Mr. Crerar said that for some purposes in some Acts . . . .

THE HONOURABLE MR. J. CRERAR: I should like to make a personal explanation. I ought to have been more specific. I was referring to English legislation.

THE HONOURABLE SIR MANECKJI DADABHOY: In English legislation they have used the phrase in some of the Acts, but so far as Indian legislation is concerned, I am not aware of any single Act in which the phrase "young person" has been either defined or introduced. I therefore think that it would be better and more advisable to leave the Resolution as it stands, leaving it to the proposed legislation to fix the age that will be suitable. I fear there will be a lot of discussion when the Bill comes up before this Council as to what would be a suitable limit of age, whether we would be right or justified in limiting it to eighteen years or even taking it up to twenty-one.

There is one other suggestion which I have to make to the Honourable Member (Mr. Crerar) that, when legislation in this connection is framed, it would be advisable that a comprehensive legislation on the subject should be undertaken. It would be advisable to delete the two sections of the Penal Code and incorporate them as well as the provisions of the Criminal Procedure Code with regard to the destruction of these obscene publications into the new legislation. It would be advisable to get all these provisions together in one complete presentable Act which will place the offences relating to obscene publications in one proper form before the country. It would be inadvisable to spread them over in different Acts. I throw out this suggestion for what it is worth for the consideration of the Home Department.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (West Bengal: Non-Muhammadan): I should like very strongly to support the point of view that the Honourable Sir Maneckji Dadabhoy has brought out. It is quite true that India in this matter, as in many other matters, is more sinned against than sinning. But we are also apt pupils. We develop fast and the amount of obscene advertisements that invade the columns of our newspapers and the amount of obscene circulars, not from Bangalore or any other particular place, not from Hamburg or other foreign places merely, but from independent Indian sources that take the initiative is alarming. It is time that we put a stop to it. In this country

[Dr. Sir Deva Prasad Sarvadhikary.]

there is a saying that whatever is in print is gospel truth, and particularly if it happens to be in English, the language of the rulers, it is doubly gospel. Those who have seen these circulars of flaring type disgracing Charing Cross shop windows, coming from the great countries beyond the seas, think that it is a right thing to take the cue where the teachers left of. That is a point that should be taken note of when legislation is undertaken.

As regards the amendment proposed by my Honourable friend, Dr. Mitter, I am afraid I would like it to stand as put forward by the Honourable Mr. Crerar. Youth is very indeterminate, very difficult to define. It is rather relative, and I wonder why old age should not be protected any less than youth, which with its sturdy virtue and innate innocence, will be able to take care of itself. The Honourable Mr. Crerar's difficulty at the present moment is, I believe, that he is not quite sure as to what would be a suitable age to suggest for the purposes of this legislation. As in "society", where one does not refer to the uncertain age of ladies, he is hesitant in suggesting an age-limit yet. Time will show and public opinion will show whether the European standard in certain cases of 25 referred to by Dr. Mitter would not be a more suitable age for protection regarding a matter like this. I trust therefore that Dr. Mitter will reconsider the matter and will not press the amendment but leave it to the Legislature, in the light of opinions that will be collected.

12 NOON.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): I think that the preceding speaker, who proposed the amendment, was thinking that a minor is going to be prosecuted or what age is to be the limit. The age has been introduced as an aggravation of the offence. A man who commits the offence would not be a minor. The man who circulates all these things will be considered to have committed a higher offence and would get a higher punishment if he sells them to persons of a certain age, that is to say, the persons of a certain age are not concerned in this offence. The offender is a man who is not to be looked upon as a minor or a major. If the man sells it to a minor he will be punished more severely. That is the whole idea of the second part of the Resolution. Therefore, it is not necessary for us to go into that question at all as to what minority ought to be and all those questions simply disappear. It is a question of the offender. If he sells these things to persons of a certain age, he gets, say, two years. If he sells them to children he gets seven years. That is the idea of it. The question of minor and major do not appear at all. To me therefore it is irrelevant to the particular question.

THE HONOURABLE THE PRESIDENT: Does the Honourable Dr. Mitter wish his amendment to be put?

THE HONOURABLE DR. DWARKANATH MITTER: One reason for my putting this amendment was . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member cannot make a speech. He must either ask for leave to withdraw his amendment or ask that it be put.

THE HONOURABLE DR. DWARKANATH MITTER: I wish my amendment to be put.

THE HONOURABLE THE PRESIDENT: The question is that in the Resolution as discussed the following amendment be made:

"That at the end of the second part of the Resolution the words 'below a certain age' be omitted and that the word 'young' be inserted before the word 'persons' in the last line."

The motion was negatived.

THE HONOURABLE MR. J. CRERAR: I am very gratified that the Resolution has received so favourable a reception from the House and the only remark which I wish to make in reply to the debate is with reference to the suggestions made by my Honourable and learned friends Sir Maneckji Dadabhoy and Sir Deva Prasad Sarvadhikary. The suggestion made was that the legislation undertaken in pursuance of this Resolution should be of a somewhat drastic and extensive character, and should include a consolidation of all the law on the subject. That is entirely a matter for the Legislature when they proceed to legislate. The object of my Resolution is to ask the House to agree to legislation only within the limits prescribed and rendered obligatory by our undertakings under the Convention. Those are very considerably more limited than what I understand my Honourable and learned friends have in mind. We do not as a matter of fact contemplate going beyond the actual terms of the engagements which we have to implement. My brief review of the state of the Indian law on the subject is sufficient to show that, as a matter of fact, our law is very nearly adequate already to comply with the requirements of the Convention. It is, as a matter of fact, in advance of that of many of the countries which are signatories to the Convention. (*The Honourable Sir Maneckji Dadabhoy*: "You can improve the Penal Code.") If legislation is desired to go beyond our obligations under the Convention, that of course is entirely a matter for the Legislature to determine, but it would be somewhat outside the scope of the Resolution which I have the honour to move. I have no doubt that, when Government proceed to draft the necessary measure, they will give careful consideration to the suggestions that have been made, but naturally at this stage I can give no more explicit assurance on that point.

THE HONOURABLE THE PRESIDENT: The question is that the following Resolution be adopted:

"That this Council recommends to the Governor General in Council:

(1) that India do ratify the International Convention for the Suppression of the Circulation of, and Traffic in, Obscene Publications, dated the twelfth day of September One Thousand Nine Hundred and Twenty-three, which was drafted by the International Conference which met at Geneva under the auspices of the League of Nations on the 31st August, 1923;

(2) that in the legislation to be introduced in the Indian Legislature in accordance with the provisions of the Convention, it should be made an aggravation of the offence of the offer, delivery, sale or distribution of obscene matters or things if such is made to persons of either sex below a certain age."

The motion was adopted.

STATEMENT OF OFFICIAL BUSINESS FOR THURSDAY, THE 13TH MARCH, 1924.

THE HONOURABLE THE PRESIDENT: Has the Honourable the Leader of the House got any statement to make regarding official business?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, the next meeting for official business will be on Thursday, the 13th, when motions will be made that the Bills further to amend the Sea Customs Act, 1878, and the Indian Tariff Act, 1894, which were laid on the table yesterday, be taken into consideration and passed. Thereafter, Tuesday, the 18th March, has been fixed for official business, but I regret I am not at present in a position to announce whether any legislative measures can be brought forward on that day.

The Council then adjourned till Eleven of the Clock on Wednesday, the 12th March, 1924.

COUNCIL OF STATE.

Wednesday, the 12th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

Minimum Pay of a Confirmed Assistant Superintendent of Police.

135. The Honourable Sardar JOGENDRA SINGH: Will the Government be pleased to state the minimum pay of a confirmed Assistant Superintendent of Police as distinguished from a probationer?

The Honourable Mr. J. CRERAR: An Assistant Superintendent of Police on probation is placed at the bottom of the inferior time-scale, and draws the first increment as a matter of course at the end of the first year, but is not allowed to draw the second increment until he has passed the departmental examinations and is confirmed.

Pay of Provincial Service Officers appointed as Assistant Superintendent of Police.

136. The Honourable Sardar JOGENDRA SINGH: Is it a fact that provincial service officers, who are appointed to the rank of an Assistant Superintendent of Police, are not on probation and cannot be put on the pay of a probationary Assistant Superintendent of Police?

The Honourable Mr. J. CRERAR: The normal rule is that promotion is to the rank of Superintendent and a provincial police service officer is appointed to the rank of Assistant Superintendent of Police only in very exceptional circumstances. When so appointed he is not on probation. The initial pay of a provincial police service officer promoted to the rank of Assistant Superintendent of Police is fixed on the inferior time-scale of pay for the Indian (Imperial) Police Service at the stage next above his existing pay in the provincial police service. As soon as he holds a superior post, he rises to the corresponding stage of the superior scale.

Grading of Provincial Service Officers appointed as Superintendents of Police.

137. The Honourable Sardar JOGENDRA SINGH: Is it a fact that according to the rules an officer of the provincial service, who has been appointed to the rank of a Superintendent of Police, takes his place immediately below the last confirmed officer in that rank? If so, does the provincial service officer appointed to the rank of an Assistant Superintendent of Police also take his place immediately below the last confirmed Assistant Superintendent of Police but above the probationers? If not, what are the rules for placing such officers in the list of Assistant Superintendents of Police?

THE HONOURABLE MR. J. CRERAR: The reply to the Honourable Member's first question is in the affirmative. As stated in the reply which I have just given to another question put by the Honourable Member to-day, promotion of provincial police service officers to the rank of Assistant Superintendent is made only in very special cases. The grading of such officers has been left to Local Governments.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a message has been received.

THE HONOURABLE THE PRESIDENT: Let it be read.

THE SECRETARY OF THE COUNCIL: "Sir, I am directed to inform you that the Legislative Assembly have, at their meeting of the 8th March, 1924, negatived the motion that the Bill to consolidate the law relating to Tolls on Public Roads and Bridges, as passed by the Council of State, be taken into consideration."

INDIAN TOLLS BILL.

THE HONOURABLE SAIYID RAZA ALI: (United Provinces East: Muhammadan): Sir, a message has been received which informs us that the consolidation measure relating to tolls on bridges and roads which we passed on the 21st February, was thrown out by the other House on the 8th of March. Sir, I do not want the Council, let me make it quite clear, to take an unnecessarily alarmist view of the attitude taken up by the other House.

THE HONOURABLE THE PRESIDENT: I thought the Honourable Member was raising some point of order. He cannot argue on the merits of the Bill.

THE HONOURABLE SAIYID RAZA ALI: In order to put the point of order, Sir, I think it will be necessary to make a few remarks, two or three remarks.

THE HONOURABLE THE PRESIDENT: If his remarks do not reflect on the decision of the other House, I have no objection. He must not argue the merits of the Bill. What he can do is to explain what has happened and, if he has a remedy, he might put it before the Council.

THE HONOURABLE SAIYID RAZA ALI: My idea was to proceed exactly on the lines which have been suggested by the Chair. Now, when a Bill passed by the originating Chamber is sent to the other Chamber and is thrown out by the other Chamber, then, according to the rules and regulations regulating the conduct of business in this Council, there is a certain remedy open to the originating Chamber. One of the remedies which will suggest itself very readily is to drop the question altogether and take no notice of it. That is one remedy. The other remedy is to give the originating Chamber a scheme on that subject, to approach the

Governor General and to request the Governor General to have a joint sitting of the two Houses at which the Bill can be taken into consideration. Sir, it is for this House to consider whether the importance of the question will warrant our taking the second action, namely, approaching the Governor General to have, by notification, a joint sitting. This is, Sir, a question in which the official benches, I am sure, will be more interested than the non-official Members, inasmuch as the measure emanated from the Honourable the Leader of the House and that was exactly the reason why I referred to him in connection with this matter yesterday. Honourable Members will remember that there was a certain Bill, known as the Hindu Priests Emoluments Bill, that was passed last year by the other Chamber. When it came up here, it was thrown out and no further action was taken by the originating Chamber, namely, the other House. I believe that, whatever may have been the reason, Honourable Members will remember that that was a private measure, whereas the Bill that has been thrown out now emanated from the Honourable the Leader of the House. Therefore, Sir, I just want to know what the official attitude is in the first instance, and, secondly, whether this House feels that this is a question of importance enough to justify our approaching the Governor General under section 63, sub-section (3), of the Government of India Act.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, before the Honourable the Leader of the House speaks, I just want to draw his attention to one matter, so that he may reply to all the points.

THE HONOURABLE THE PRESIDENT: If the Honourable Leader of the House gives way.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Yes, Sir.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: The matter which arose in the other House was not so much a matter of procedure or form as one of substance. One of the ideas of a Member in the other House was to move an amendment, which would not be a consolidating amendment, but an amending amendment, if one may so call it, and that, as has been ruled in this House, was not allowed in connection with the consolidating Bill. The amendment proposed on the substance of the Bill was therefore not allowed. Thereupon the event that has been referred to happened. If there is any substance in that amendment, I would ask the Honourable the Leader of the House to consider it in making his statement, and in suggesting any procedure that he would like to indicate to this House and giving it a lead, whether he will take that into consideration. Would he consider whether, instead of taking the course indicated by the Honourable Saiyid Raza Ali, an amending and consolidating Bill would not be the more desirable course to adopt.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, I understand that the other House refused to take the Bill into consideration on a ground extraneous to the nature of the Bill, as has been pointed out by my Honourable friend Sir Deva Prasad Sarvadhikary. As to the desirability of first taking the necessary step to introduce the amendment

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which the other House insisted on, this is a matter with which I shall deal later. Coming to the point raised by my Honourable friend Saiyid Raza Ali, I have given my careful and anxious consideration to the question and have myself arrived at the conclusion that the course proposed by my Honourable friend is not admissible under the Act and the Rules framed thereunder. If my Honourable friend will turn to section 67(3), which is the section providing for a joint sitting of the two Houses, he will find this is how the section runs:

"If any Bill which has been passed by one Chamber is not within six months after the passage of the Bill by that Chamber passed by the other Chamber either without amendments or with such amendments as may be agreed to by the two Chambers, the Governor General may in his discretion refer the matter for decision to a joint sitting of both Chambers."

A careful consideration of the language adopted by Parliament in this sub-section seems to me to postulate the existence of a live Bill at the time when the procedure under this section is sought to be resorted to. The result of the refusal by the other House to take this Bill into consideration is that the Bill is now dead, it is no longer on the legislative anvil, and therefore it seems to me that a resort to this special procedure laid down in section 67, sub-section (3), is not admissible. That position, I think, is rendered still clearer by a consideration of the Legislative Rules, framed under the Act, providing for the convening of a joint session. If Honourable Members will turn to Rule 30, it runs as follows:

"If the motion that the Bill be taken into consideration is carried, the Bill shall be taken into consideration,"

and so on. That is not what took place in the other House. Then Rule 31 goes on to say:

"If after taking it into consideration the Bill is passed without amendment and the originating Chamber is the Legislative Assembly a message shall be sent to the Legislative Assembly intimating that the Council of State have agreed to the Bill without any amendments. If the originating Chamber is the Council of State the Bill with a message to the effect that the Legislative Assembly have agreed to the Bill without any amendments shall be sent to the Council of State."

That is obviously not the case here. Then Rule 32 goes on to provide:

"If the Bill is passed with amendments, the Bill shall be returned with a message asking the concurrence of the originating Chamber to the amendments."

And under Rule 33:

"When a Bill which has been amended in the other Chamber is returned to the originating Chamber, copies of the Bill shall be laid on the table at the next following meeting of that Chamber."

Under Rule 34:

"After an amended Bill has been laid on the table, any member acting on behalf of Government in the case of a Government Bill or, in any other case, any member after giving three days' notice, or with the consent of the President without notice, may move that the amendments be taken into consideration."

The House will notice that the procedure laid down here contemplates the return of a Bill passed by the originating Chamber with amendments introduced into it by the other Chamber and then being taken into consideration by the originating Chamber.

Rule 35 then goes on:

"If a motion that the amendments be taken into consideration is carried, the President shall put the amendments to the Chamber in such a manner as he thinks most convenient for their consideration."

I need not repeat sub-rule (2).

Then Rule 36 says:

"If the Chamber agrees to the amendments made by the other Chamber, a message intimating its agreement shall be sent to that Chamber."

Sub-rule (2) runs as follows:

"If the Chamber disagrees with the amendments made by the other Chamber or any of them, the Bill with a message intimating its disagreement shall be sent to that Chamber."

And under sub-rule (3):

"If the Chamber agrees to the amendments or any of them with further amendments or proposes further amendments in place of the amendments made by the other Chamber, the Bill, as further amended with a message to that effect, shall be sent to the other Chamber."

And now comes the provision with which we are really concerned.

"The other Chamber may either agree to the Bill as originally passed in the originating Chamber or as further amended by that Chamber, as the case may be, or may return the Bill with a message that it insists on an amendment or amendments to which the originating Chamber has disagreed."

Thus, the House will see that a deadlock is created, that is to say, both the Houses have not agreed with regard to the amendments made by one of them. In order that this deadlock may be removed and a solution of the situation which has thus arisen may be found, the next sub-rule provides:

"If a Bill is returned with a message intimating that the other Chamber insists on amendments to which the originating Chamber is unable to agree, that Chamber may either—

(i) report the fact of the disagreement to the Governor General in Council, or

(ii) allow the Bill to lapse."

And when a report is, in these circumstances, submitted to the Governor General in Council then under Rule 37 a joint sitting of both Chambers shall be convened by the Governor General by notification in the Gazette.

This review of the rules makes it clear that the holding of a joint session is provided for by the Rules only in those cases where an originating Chamber has passed a Bill which has gone to the other House and the other House has introduced amendments which have been referred back to the originating Chamber and in this return of the Bill to the one or the other House a difference of opinion has arisen between the two Houses with regard to the amendments introduced which are not acceptable to the other House. When this deadlock arises provision is made under the Rules for a report to the Governor General in Council with a view to the holding of a joint session. The Rules do not provide for any other contingency or any other circumstance under which a joint session of the two Houses can be held.

It seems to me, Sir, that these Rules carry out the intention of Parliament. Parliament intended the holding of a joint session when

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there is a live Bill in existence with reference to any of the provisions of which there is an irreconcilable disagreement between the two Houses. In these circumstances the case is reported to the Governor General in Council, who has the discretion to direct the holding of a joint session in order that a solution of the difficulty that has arisen may be arrived at. The words ' in his discretion ' are also of importance in connection with the other question which has been raised by my Honourable friend Sa'yid Raza Ali as well as by the Honourable Sir Deva Prasad Sarvadhikary. It seems to me that the situation which has arisen is one which is capable of being solved in other ways and, as the Bill in itself was not a Bill of very vital and primary importance, it is doubtful, even if it were admissible under the law, whether the Governor General would be prepared to have resort to the extraordinary procedure of holding a joint session of the two Houses with reference to a Bill like this. But be that as it may, it seems to me after a very anxious and careful consideration of the provisions of the Act, as well as of the Rules framed thereunder, that the holding of a joint session of the two Houses, when there is no Bill on the legislative anvil and when the Bill is already dead, is not permissible.

THE HONOURABLE THE PRESIDENT: I think it is a very good thing that the Honourable Saiyid Raza Ali has raised this point. It is, of course, a matter of procedure and requires the consideration of the Chair. I should like therefore, without going into details as my Honourable friend the Law Member has done, to express my own opinion on it. I agree entirely with the reading of the law which the Honourable Sir Muhammad Shafi has given us. He has already supported his case by the actual wording of the section in the Act itself and also by the procedure laid down in the Rules. I think, however, that further support for the same view can be found in the underlying principle of the Act which, to my mind, is even more important than the wording provided in the Rules or in the Act itself. The constitution, as we have it, contemplates two Chambers and as regards legislation both of them undoubtedly have equal powers. Now, if the power of holding a joint session is to be used for the purpose of revising the decision of a House which has already expressed its definite opinion that the Bill should be thrown out, that equal legislative power will disappear. You would then be in this position. You will be able to have a joint session and possibly, owing to the fact that the number of Members of one House is larger than the number of Members in the other House, the veto of one Chamber may be reversed thus directly affecting the legislative power which at present is equally vested in both the Chambers. That is a matter of great constitutional importance. In this case,—putting aside for the moment our own technical terms,—what has happened is that a Bill was sent down to another place and the second reading of the Bill has been refused. That is always regarded in Parliament and elsewhere as killing a Bill. The other Chamber took quite a definite line and the Bill therefore is dead. There is no Bill. It is open to Members, subject to the Rules, to bring in another Bill. But the Bill we dealt with is gone. It is obvious that, when one Chamber has taken that line, there can be no other way of solving the matter except by bringing in another Bill. As far as our constitution is concerned, in order that a Bill may become law, it must be passed by both the Chambers. If it fails to pass one Chamber it does not become law. The joint session arrangement is for another contingency, namely, where either Chamber

has not manifested its definite intention of disagreeing with the other *in toto*. Where one Chamber definitely gives a decision which kills a Bill, it is useless having a joint session. A joint session is provided for a case where differences have arisen which may be adjusted and there is a possibility of coming to terms and passing the Bill, a portion of which is approved by both Houses. Where the principle of a Bill is so repugnant to either Chamber that it throws it out, there can be no place for a joint session. On general as well as on legal grounds, I am therefore in entire agreement with the Honourable the Law Member.

RESOLUTION *RE* ESTABLISHMENT OF PIONEER SUGAR FACTORIES AND THE PROMOTION OF SUGAR-CANE CULTIVATION—*contd.*

THE HONOURABLE THE PRESIDENT: The Council will now resume the adjourned discussion on the Resolution* already moved by the Honourable Sardar Jogendra Singh.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, when the House last adjourned on Monday I was inviting its attention to the fact that on the agricultural side the Government of India are very hopeful about bringing the sugar problem to a successful termination. I said that the types of cane which are being produced in Coimbatore and experimented with in Upper India have shown decidedly a larger yield per acre, and have also demonstrated the possibility of the manufacturers extending their period of operations, thereby enabling them to reduce the cost of manufacture. The whole question was elaborately dealt with in the Scientific Report for 1922-23 and referred to in a later report also. I would just invite the attention of the House to one or two passages to show that we may be very hopeful about the realization of the expectations of the Sugar Committee by further researches on the agricultural or botanical side. The Government, I may inform the House, acquired more than a hundred acres adjoining the present Agricultural Research Institute and have placed that area at the disposal of the Sugar Bureau, and, in conjunction with the manufacturers of Bihar, experiments have been carried out which show that the yield was nearly double and the maturing and manufacturing season has been extended. Three types of cane, Coimbatore 214, 210 and 213, were experimented with. With 214 the factory could start in November and the yield was about 600 maunds, or double the local cane production. It has also been proved that the yield gives 15 per cent. more sugar weight for weight. Then another mill test with No. 210 demonstrated equally satisfactory results. The average yield of this cane amounted to 800 maunds of stripped cane per acre, while in the best land it was as high as 1,600 maunds. No. 213 gave equally useful results. The net result has been summed up in these words:

"If we take into account the average yield of the local varieties, which does not exceed 300 maunds of stripped cane per acre, while each of these Coimbatore canes yields over double the amount . . . "

* "This Council recommends to the Governor General in Council that a definite proportion of the duty collected on sugar may be devoted to the establishment of pioneer sugar factories and to the promotion of sugar-cane cultivation."

[Sir Narasimha Sarma.]

—I underestimated it when I said it was only 50 per cent.:

" . . . it is obvious that the adoption of these canes by the growers in Bihar will considerably add to the profits of cane cultivation while the sugar industry will get an increased supply of cane for the factories which are usually below their raw material capacity and also enable them to prolong their working season, reducing the cost of production per maund of sugar by cutting down silent charges."

And these canes I may also inform the House have been supplied to the Cossipore Factory, the Agricultural Chemist, Dacca, the Agricultural Officer, Peshawar, to the West Indies and to Mauritius for trial. So that there has not been an unsatisfactory rate of progress on the agricultural side. The Government regret that more money could not be spent in experimenting with thick canes which are the principal type in Southern India and in Bombay. They hope to be able, however, as soon as financial conditions permit, to add to the Coimbatore area enabling the research officer to experiment with thick canes in order to provide a type of cane which will at the same time be a pest resistant also. So much, Sir, for the agricultural side. The work has to be done largely by the Central Research Institute in the beginning, but the detailed work and the further experimental work have to be continued in the provinces, and the reports from various provinces show that the Governments are keenly alive to this aspect of the problem . .

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): May I ask the Honourable Member to explain a little about the Sugar Bureau to which he has referred. What is the Bureau, who are the members and what are the duties of the Sugar Bureau?

THE HONOURABLE SIR NARASIMHA SARMA: Sir, at present it is almost wholly, if not wholly, official, and it was with very great difficulty that we have resisted attempts to abolish it. Part of its usefulness is derived from the circumstance that, thanks to the appreciation of the Bihar manufacturing industry, the Government have been able to push forward with their schemes for experiments in Pusa. I cannot say more with regard to the Sugar Bureau but that with better times ahead we hope to be able to place it on a more satisfactory footing. Then, Sir, there is also the possibility of, I will not say a very large but a large extension of area when the Sarda canal project comes to fruition and when the Sutlej Valley and Sukkar Barrage projects are completed. We have addressed the Governments of the United Provinces, of the Punjab and of Bombay and the replies received from them are very hopeful. I cannot say more now because these projects have not reached that stage at which we can expect a definite allocation of areas for the purpose of cane production. But the Government of the Punjab have definitely stated that it would not be difficult for them to set aside an area of about 20,000 acres in order that a factory of the type mentioned in the Indian Sugar Committee's Report may spring into existence with a definite continuous supply of cane so that the manufacturing processes may go on under the same favourable conditions as in Java and other countries which manufacture sugar on a large scale. Experiments are also proceeding with regard to the manures, with regard to the water requirements of the crops and with regard to the modifications in the distribution of water supplies for the purpose of ensuring a larger supply of water to the areas in which sugar-cane is largely grown. The Government's attention has been directed, and we are fully alive to the fact that in the manufacture of raw sugar there is a considerable loss of sucrose amounting to as much as a million tons; and when we

remember that the imports of sugar into India range between 500,000 to 750,000 tons, Honourable Members will realize that, with the improvements suggested by the Sugar Committee, it would not be difficult, it would not be impossible, to make India absolutely self-supporting. Whether we extend the area of cultivation, extend the yield per acre, or reduce the manufacturing cost, enabling a factory to succeed by reaon of ensured supplies over a continuous period, the problem will have been equally solved. I have indicated the steps which have been taken already. I have also alluded to the fact that Bihar planters and the Bihar sugar manufacturers are very keenly alive to the importance of this subject and have come to the assistance of the Government—and let me express here my gratitude to them—by undertaking mill experiments in order to show that what we are doing on the agricultural side is really useful to the cultivator as well as to the manufacturer. They are contemplating the imposition of a cess on a voluntary basis amongst themselves for the purpose of carrying out these experiments, both manufacturing as well as agricultural, and it is just possible that they would approach the Government of India for help to enable them—it is a matter entirely left to their option—to develop the industry in directions which would benefit them as well as the people of India generally.

But the Honourable Sardar Jogendra Singh might say, "It is all very fine for you to say that the Bihar manufacturers are alive to their duty, the agricultural experts are alive to their duty, what is the Government of India going to do by way of starting a factory in order to demonstrate that manufacture on a large scale would be highly beneficial to India and would be commercially a paying proposition." After the Committee's report was received we placed a special officer on duty who went into the whole question and recommended that under the then existing circumstances it would not be possible for the Government of India to proceed with the idea of starting a factory. The cost at that time was estimated at more than Rs. 76 lakhs, but whether the cost was Rs. 76 lakhs or 50 lakhs, it would be a highly speculative transaction, and there was a certainty of loss in the beginning. The Government might have assumed a different attitude if two conditions could be fulfilled, namely, if they had been able to ensure to this factory a continuous supply of sugar-cane, which can only be possible when the irrigation projects I mentioned are developed, and had their finances been prosperous. It is a matter of doubt as to whether the Government of India can legitimately undertake the erection of a factory, this being largely a provincial subject. But I am not going to raise the technical difficulties of the question; Honourable Members are aware that we have been trying to balance the Budget and that we are screwing up every penny for that purpose; and, therefore, the times are not propitious even to discuss this question as to whether the Government of India can, without violating the Devolution Rules, embark upon this solution which has been suggested for their consideration by the Committee, and I can only say that we shall not lose sight of it; we are fully alive to the importance of it, and, as soon as conditions permit, we shall see if encouragement can be given to the manufacturers, if they cannot erect a factory themselves. But on one point, Sir, I am certain, and that is, that the Government of India feel that the earmarking of any funds, much less out of the customs revenue from sugar, cannot be defended on financial grounds. I think my Honourable friend, Mr. McWatters, if it be necessary to do so, will develop that aspect of the question. Government feel that this earmarking proposition is indefensible and should not be encouraged on other grounds

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also, because where are you to stop? The analogy of the cotton cess has been invoked, but the cotton cess is a cess imposed at the request, with the co-operation, and with the consent of the grower as well as the manufacturer of cotton and no grant has been made out of revenue. Government may very well embark upon a similar experiment in the case of sugar but what are we asked here to do? To earmark a part of the customs revenue from imports of sugar for a specific purpose. While there are so many objects, for which this process of earmarking may be demanded it is financially unsound, and whether it is financially unsound or not, I do not think I shall be able to succeed, however strongly I might put my demand, in convincing the Finance Department that they can find the money. Nor can I blame them for not doing so. There is no question of any disclosure of differences of opinion; both the Finance Department as well as the Department of Agriculture are fully alive to the importance of the subject and wish to do all they can, but there is no money forthcoming, and I am sorry, therefore, that I can only express the hope that it would be possible to do more in the future, and that for the present we cannot do anything in the direction in which the Honourable Sardar Jogendra Singh wishes us to move. I hope, therefore, that with this explanation the Honourable Member would rest satisfied that at any rate until we have a surplus, over the distribution of which we can quarrel, we cannot do anything.

THE HONOURABLE KHAN BAHADUR SIR NAWAB MOHAMED MUZAMMIL-ULLAH KHAN: It will never happen.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, we have always heard "Where there is a will there is a way." I strongly support the Resolution, Sir, because it is for the good of the agriculturists (*An Honourable Member*: "And consumers too) and consumers too. I have seen a time in England, during the war, when nobody could get sugar for anything, and as we are in the same Empire, if the sugar industry is backed up that way, I think the whole Empire would benefit by it. There has been a cess already in the case of cotton and it was passed because it was considered to be good for the improvement of the cotton industry. If it is good for one thing, it is equally good for the other. Cotton is one of the products of India as well as sugar. In regard to cotton of course the difficulty is that we have got some mills but we have to send cotton to other places for being manufactured, and even after that, manufactured cotton goods come back here cheaper. But as regards sugar, having a factory here would be beneficial, because the whole thing would be worked here and there will be no cost of conveyance to any place and bringing it back again. Sir, the difficulty we find in India is that from a very very long time people have had a sort of distrust of one another, and that is why, when Government want co-operation, you find lots of non-co-operators. In the same way we have had a certain trouble unfortunately in the Punjab by some people doing some underhand things in connection with the banks. Unless we have a complete knowledge that the people will co-operate and bring their resources and money together, it will be very difficult to do anything at all in this direction, and perhaps it may never be brought to fruition. Government are very kindly teaching us and educating our young men, but they do not get any employment and therefore they have turned into enemies. If you spend some money

in another way, in teaching us how to develop our industries by such a factory, people will gain money and will be perfectly contented and thus become your friends. I think, Sir, that if Government do not like to accept this Resolution precisely in these words, that is a different thing. Do not adopt that Resolution in these words but accede to the meaning of it. The meaning is somehow to get money to help us. What I want is that Government should help us in that way and should not object to the mere wording of the Resolution. With these few words, I strongly support the Resolution and I hope something will be done in that direction.

THE HONOURABLE MR. J. W. A. BELL (Bengal Chamber of Commerce): Sir, if I might borrow a phrase from my Honourable friend Sir Maneckji Dadabhoy, which I have always admired because it expresses great caution and because it is so non-committal, I should like to say that I am in entire sympathy with the motive underlying the Resolution of my Honourable friend Sardar Jogendra Singh.

At the same time I think my Honourable friend has been somewhat unhappy in the drafting of his Resolution, and I should like, if I can, to persuade him to alter it to some extent.

In the first place he has asked Government to do two things, one of which I do not think is desirable. In the second place, he has asked Government to secure funds for doing these things from a source which I do not think is a proper one.

With regard to the first my Honourable friend has asked Government, in the first place, to promote the cultivation of sugar-cane, and in the second place to establish pioneer sugar factories.

So far as the first suggestion is concerned, I do not find any strong objection. Had my Honourable friend worded his Resolution in such a way as to make it appear that Government was requested to take steps to inquire whether Provincial Governments were doing all that could be done to promote the scientific cultivation of sugar in India, I would have been in entire agreement with him. This would merely have implied assistance, such as is given, for instance, in Java by the Dutch Government to the sugar planters there. My Honourable friend will confirm what I say, because he has visited Java, when I remark that the arrangements that have been made by the Dutch Government in Java for the assistance of sugar-cane planters in the scientific cultivation and manufacture of sugar are very extensive and very much up-to-date. I was glad to hear the assuring speech of my Honourable friend Sir Narasimha Sarma, but, notwithstanding that, I think that my Honourable friend Sardar Jogendra Singh will agree with me when I express the opinion that what is being done in Java by the Dutch Government is still in advance of what is being done in India. I think that the question whether something more could be done in India, if my Honourable friend considers that all is not being done that could be done, would be a proper one for inquiry by Government.

With regard to the establishment of pioneer sugar factories, however, this is an entirely different proposition. In the first place, why should it be necessary in an old established industry, like the sugar industry in India, to establish pioneer factories? Apart altogether from what may be the answer to that question, I am of opinion that in the present state of the finances of this country, Government would not be justified in

[Mr. J. W. A. Bell.]

entering upon a commercial venture in the interests of any particular industry.

With regard to the source from which the funds are to be found for the pioneer factories, which my Honourable friend suggests should be established, I think he has possibly overlooked the fact that the sugar duty is an item of Imperial revenue which should not properly be allocated to a purely provincial purpose. It is true that my Honourable friend has said that if money be invested in this way, Government will reap a magnificent reward in the shape of high dividends. When I heard my Honourable friend paint the picture of the profit that was likely to accrue to the Government of India from this investment, I felt that, if he entered the field of company promotion, he would rapidly come to the front. Even in connection with this argument my Honourable friend has put himself in rather an unfortunate position. Usually when a man is right he is right, and when he is wrong he is wrong. But in this case if my Honourable friend is right he is wrong and if he is wrong he is wrong. If it be correct that the prospects of sugar factories are so extremely good, then it seems to me to be a matter for individual enterprise and not for Government assistance. But I think that to some extent my Honourable friend is wrong. It is quite true that some of the sugar concerns which have been established in India have met with wonderful prosperity. But, as my Honourable friend is probably aware, there are others which have been less fortunate. It is quite true, for instance, that the well-known sugar concerns, such as Cawnpore and Champaran and others have done extremely well, but it is doubtful whether even their position to-day is so good as it was some years ago. It seems to me that there is in the establishment of sugar factories in India a very strong element of risk which Government should not be asked to undertake.

12 NOON.

To sum up: If my Honourable friend would word his Resolution to the effect that Government be asked to inquire as to whether everything is being done that can be done by Provincial Governments to assist in the development of the scientific cultivation and manufacture of sugar in India, I would be in entire agreement with him. But, if his suggestion is that Government should enter upon a hazardous commercial adventure in the interests of a particular industry, I am afraid that I cannot agree with him, and I fear that such a suggestion will not meet with the support of the majority of the Honourable Members of this House.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, the Honourable Mover of this Resolution is himself an agriculturist in a large way. He was also a member of the Sugar Committee which sat in 1920. Any observations therefore which fall from him on a Resolution like the one which he has moved are certainly worthy of consideration by this House. The Honourable Mover has told us what the yield of sugar per ton is in this country. He said it was 1.07 in India as compared with 1.96 in Cuba, 4.12 in Java and 4.61 in the Hawaian islands. It is also of interest to know that in the imports of this country sugar takes third rank. The largest imports are those of cotton textiles, then comes machinery and then sugar. The imports of sugar in 1922-23 amounted to more than 700,000 tons. Again India has resumed her pre-war position as the third largest importer of sugar in the world, following only the United States of America and the United Kingdom. Now, Sir, if we can make more sugar in this country, surely Gov-

ernment ought to do everything possible in its power to contribute towards that end. The problem before the country is, therefore, to increase the proportion of factory made sugar and it has been discovered that what is required is the growth of canes which will stand the vagaries of the season and give a better crop. It is for this reason, I understand, that the Honourable Mover has brought forward his Resolution. But I agree with my Honourable friend Mr. Bell and I am not at one with the Mover as regards the wording of his proposition. In this I differ from him for three reasons. In the first place, his proposal is very vague. He wants a definite proportion of the duty but has not fixed the percentage which might mean, say, a lakh a year or it might mean even a crore a year. My second objection is that he wants this money from the customs duty which also is not right. Customs duty is levied for revenue purposes and indirectly it helps to prove itself to be a protective duty. Inasmuch as there is the high rate of 25 per cent. *ad valorem* duty on sugar, it follows that the production of sugar in this country is helped to that extent. My third objection is the one advanced by my Honourable friend Mr. Bell, namely, that Government should not undertake the establishment of pioneer factories. What guarantee is there that Government will be able to do better than private enterprise? As a rule our experience is that the results of a private enterprise are very much better than what is done by Government. My Honourable friend referred to the very successful sugar factories in Bihar. I agree with Mr. Bell again when he says that the experience of sugar factories in other parts of India is not as satisfactory as of those under the firm of Messrs. Begg, Sutherland and Co., mentioned by the Mover. I happen to be a Director of one such concern in the Presidency from which I hail. This company is the Nira Valley Sugar Co., which started work only a few months ago. The agent is our Colleague, the Honourable Mr. Lalubhai Samaldas, who is unfortunately absent to-day. I do not think our prospects are as rosy as are pictured by the Honourable Sardar Jogendra Singh. Another company known as the Belapur is about to start work soon. They, too, cannot be as hopeful as my friend would like us to believe is the case with the sugar factories all over India. But, as it has been pointed out by the Mover himself that there are sugar factories which are being managed not only economically but successfully, there is therefore no reason why Government themselves should start pioneer factories. The Honourable Mover also referred to the analogy of the cotton cess to which a very proper answer has been given by the Honourable Member in charge, which is to the effect that the cotton cess is imposed at the instance of those who grow cotton and those who use cotton and the Honourable Sir Narasimha also told us that in Bihar those who grow sugar-cane or those who are agents of sugar factories are willing to impose such a cess on themselves for the improvement, I take it, of the sugar-cane.

Because I do not agree for the reasons I have stated with the wording of the Resolution as moved, I beg to move an amendment, a copy of which I have already placed on the table. It reads as follows:

> "This Council recommends to the Governor General in Council that a sum of at least rupees fifty lakhs be set apart annually for five years to be spent for the purpose of the improvement and extension of sugar cultivation in the country."

THE HONOURABLE THE PRESIDENT: The amendment I have on my table says "20 lakhs" whereas you have read "50 lakhs."

THE HONOURABLE MR. PHIROZE C. SETHNA: I thought, I said 20 lakhs. I am sorry if I said 50 lakhs. I really meant 20 lakhs. I move this amendment in spite of what fell from my Honourable friend Sir Narasimha Sarma.

Now, Sir, we have to consider first whether the sugar factories are working successfully or otherwise, and also if Government should give encouragement to the establishment of more sugar factories in the country. If that question is considered independently from the growing of the sugar-cane, perhaps it may be a question for reference to the Tariff Board. I am only making this passing reference. My amendment is that Government should earmark a certain amount for the benefit of the cane cultivation and the making of sugar.

The Honourable the Government Member told us that the finances of Government are not in a position to warrant the earmarking of any such sum of money. I for one, as I said the other day, am not prepared to assume that there will be a surplus of 336 lakhs in 1924-25, but the Honourable the Finance Member is definitely of opinion that there is going to be a surplus this year, and we were also told that we had turned the corner and would be having surplus years hereafter. My proposal is only to the extent of 20 lakhs, and 20 lakhs per annum is only a small fraction of one per cent. of the total revenue. Government have told us to-day that they are very anxious to do something very tangible in the direction of helping the sugar industry. The Member in charge told us what has been done within the last three or four years, namely, since the report of the Sugar Committee was published, but I venture to submit that Government have not done enough. It may be that that was because they had not sufficient funds, but it is very necessary that Government should do much more in regard to this particular industry. Against an import of 500,000 to 700,000 tons of sugar from Java and elsewhere we produce in this country only 70,000 tons, which is a very small fraction of our total requirements, and surely it ought to be the endeavour of Government to do all they can in order to see that this amount of 70,000 tons is increased to three, four or ten times that figure, so that, in the words of the Honourable Member in charge, we may become self-supporting so far as sugar is concerned.

In regard to factories there was a recommendation made in the Indian Sugar Committee's report in paragraph 345, page 258. But it appears to me that the Sugar Committee themselves had some doubt on the subject as to whether they could recommend Government to establish sugar factories themselves. Therefore, their conclusions came to this, that, instead of Government running such factories, they might invest in the debentures of these factories and thereby help the sugar factories—taking debentures at 7 per cent. and of course after assuring themselves that the factories were established on a sound basis and were subject to some sort of Government control. But whether sugar factories are established by Government or otherwise, if my recommendation is accepted, then it will mean that Government will be bound to spend 20 lakhs, and they may, if they think it right, invest a portion of the 20 lakhs by helping factories in any way they like. I would like to commit Government to this figure in order that this industry might benefit to this extent at least. The Sugar Committee took very great pains and prepared an elaborate report. They

expected Government would do all they could to carry out their recommendations. The Honourable Member in charge has told us something has been done, but has given no figures; and in the opinion of the country sufficient has not been done. The Member in charge told us that they had not enough funds. Let us hope they are now beginning to have sufficient funds, and, because they will have sufficient funds, I think the Council will do well in asking Government to bind themselves to spend at least 20 lakhs, which will come back to them perhaps ten-fold or even twenty-fold.

THE HONOURABLE THE PRESIDENT: Amendment moved:

"That for the original Resolution the following be substituted:

'This Council recommends to the Governor General in Council that a sum of at least rupees twenty lakhs be set apart annually for five years to be spent for the purpose of the improvement and extension of sugar cultivation in the country'."

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): Sir, sugar-cane has been one of the chief products of this country up to this time, but, instead of there being any improvement in it, it has gone down and has not been developed in proportion to the increase in population and the requirements of the people. In 1919 this question was put before the Government of India and they were convinced of the importance of the subject. The question is not of importance only to the cultivators and zamindars but also to the consumers, because when the price goes up it is the consumers who suffer. In 1919 the Government of India appointed an all-India Sugar Committee which made inquiries all over the country and submitted a very large report. But, so far as my information goes, very little action has been taken on that report. My friend Sardar Jogendra Singh moved several Resolutions on this subject and I also moved one or two, but they were all negatived. In the Provincial Governments also very little has been done on that report. Sir, when a reference was made to that Committee by the Government of India they said:

"Regarding the desirability of such expansion of the sugar industry there can be no doubt. The food value of sugar is high; the annual consumption has been increasing steadily for many years in India, no less than elsewhere sugar-cane is indigenous in India, which until very recent years stood first of all countries in the world in its area under cane and its estimated yield of sugar-cane and it now stands second only to Cuba. Yet it is notorious that the yield both of cane and raw sugar per acre and the percentage of sugar extracted from the cane are undesirably low. While therefore India should be in a position, as she was in the past, to produce a surplus of sugar for export, she has in fact had to supplement her own supplies by imports, the tendency of which is steadily to increase."

Sir, from this it is clear that there was a time in India when sugar was produced in greater quantities than the country required and sugar was exported to other countries. But for some reason or other the position has been reversed and we have to import about 700,000 tons of sugar from other countries. This is certainly a very deplorable condition and something ought to be done. The Honourable Sir Narasimha Sarma has expressed his sympathy with the Resolution, but we all know well that sympathy alone will never do. When Government do not accept a Resolution they always express sympathy and they say they have no funds and therefore nothing can be done. Sir, it is all an evasive reply, but,

[Lala Sukhbir Sinha.]

as my Honourable friend Nawab Sir Umar Hayat Khan has said, where there is a will, there is a way. The sugar industry is now going down, and as an illustration I can say that the produce here per acre is not more than Rs. 300, while in Java and Mauritius it goes up to Rs. 3,000 an acre. Is it not a loss of revenue to the Government as well as a loss of income to the people as well as a loss, a great loss, to the consumers, by not having the full produce per acre of sugar-cane in this country?

Sir, the Sugar Committee made about 435 recommendations in their Report. I want to know how many of them have been acted upon? The Honourable Sir Narasimha Sarma said that one officer was deputed to find out whether Government could establish any factory, but his report was not hopeful and therefore the idea was given up. But that was only about one section of the recommendations that the Committee made; they made 435 recommendations, and I want to know what action has been taken about those recommendations. Here my Honourable friend Sardar Jogendra Singh will bear me out that very little has been done or no action has been taken.

I quite agree with the Honourable Mr. Bell that the Resolution is not properly worded, and it is not acceptable to Government as regards the financial aspect of the Resolution, but I am sorry to find that he has not suggested any amendments to the Resolution. My friend, the Honourable Mr. Sethna, has made a definite recommendation for the acceptance of the Council, and I think it is a very definite proposal and a very desirable amendment which I hope the Government will be able to accept, provided that they do not find it difficult even to allot Rs. 20 lakhs out of about 4 crores of rupees income from the duty on the import of sugar. On principle they may say that they cannot spend a pie on this sugar industry, but I ask them what is the principle of not spending any money on the development of such an industry as sugar which is one of the chief products of this country? If Government will not spend money on such laudable objects, will they not say the same thing about education, about irrigation, and sanitation, that they have no money, that it is the business of the public to come forward and have education, that it is the duty of the public to come forward and have irrigation canals, and so on? Therefore, Sir, I do not find any substance when they say that there is no money or that on principle they cannot allot any money for a laudable object like this. I quite agree with my Honourable friend, Mr. Sethna, in his amendment where he says that Rs. 20 lakhs out of the revenue from the import duty on sugar should be allotted for the improvement of this sugar industry, and I give my support to it, but before I conclude, I would like, with your permission, Sir, to suggest another amendment, and it is this:

"That at the end of Mr. Sethna's amendment the following words be added, 'and that a Central Sugar Committee on the lines of the Central Cotton Committee be appointed to deal with the problem '."

THE HONOURABLE THE PRESIDENT: To the amendment moved by the Honourable Mr. Sethna, further amendment moved:

"That at the end of the substituted Resolution the following words be added, 'and that a Central Sugar Committee on the lines of the Central Cotton Committee be appointed to deal with the problem '."

Now that is a proposition capable of being discussed quite independently of the alternative Resolution. The discussion will now proceed on those confined lines. The question is whether those words be added or not to Mr. Sethna's Resolution.

THE HONOURABLE LALA SUKHBIR SINHA: Sir, my object in moving this amendment is that in this problem of sugar cultivation and sugar manufacture there are involved many smaller problems that ought to be considered; and, if a Committee is appointed, they will be in a position to consider all of them as well as the whole Report of the Sugar Committee and to take necessary steps for the development of cane cultivation and sugar manufacture. Without the appointment of such a Committee the object in view will not be attained and the Rs. 20 lakhs, if allotted, will not be properly spent. The Sugar Committee also recommended the appointment of a Board—whether it is called a Board or a Committee I do not mind, but something of the kind should be appointed so that, if any money is allotted for this purpose, which I hope will be allotted, and I hope the Finance Member and the Revenue Member will not object on principle and do something in the matter,—then this Committee will be found very useful, and therefore, Sir, I suggest this amendment.

THE HONOURABLE SIRDAR CHARANJIT SINGH (Punjab: Nominated Non-official): Sir, I entirely sympathise with my Honourable friend, Sardar Jogendra Singh that the manufacture of sugar on a large scale should be encouraged. But. . . . .

THE HONOURABLE THE PRESIDENT: I pointed out to Honourable Members that the only matter now under the consideration of the House is the addition of the words in regard to a Central Sugar Committee. Let us dispose of that. When that amendment has been disposed of, the original discussion will be reverted to, but we must dispose of that point first.

THE HONOURABLE SIRDAR CHARANJIT SINGH: Sir, personally I have got no objection to the appointment of this Committee if the financial circumstances permit the earmarking of money for that purpose.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, I regret that I cannot accept the Honourable Mr. Sethna's amendment, and I should like to propose a further amendment to his amendment which I trust. . . . . .

THE HONOURABLE THE PRESIDENT: The only matter before the House is the addition of the words which I have read out to the Honourable Mr. Sethna's Resolution. When we dispose of that, the Honourable Member will have an opportunity of speaking on the general Resolution and proposing any amendment he likes.

THE HONOURABLE MR. G. A. NATESAN: Sir, I think the Honourable Mr. Sethna's amendment, as he has worded it, cannot be accepted by this House, because it commits the Government to a regular expenditure of 20 lakhs of rupees for at least. . . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member is again discussing the Honourable Mr. Sethna's amendment. The question

[The President.]

before the House is whether to Mr. Sethna's amendment the words suggested by the Honourable Lala Sukhbir Sinha be added or not. That is the sole point before the House.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I am now speaking on the amendment which has been proposed by the Honourable Lala Sukhbir Sinha. If the Honourable Mr. Sethna's amendment is at all to be accepted, then I think there is no other alternative for the House but to add the recommendation embodied in the amendment proposed by Lala Sukhbir Sinha to that amendment. If Rs. 20 lakhs are to be earmarked by Government for the improvement of the sugar industry, there must be some organization, somebody, empowered with functions, to dispose of this money, or at least to advise Government as to the disposal of the money, and in that case the recommendation that an organization of the nature and character of the Cotton Committee be created seems to my mind a reasonable one. I have only confined myself at present to the Honourable Lala Sukhbir Sinha's amendment, and I believe my Honourable friend Mr. Sethna will have no objection to add this recommendation to his amendment if it is likely to be accepted.

THE HONOURABLE SIR NARASIMHA SARMA: Sir, there were definite recommendations of the Cotton Committee to proceed on specific lines with regard to various matters and one of the recommendations suggested the procedure that the interests of the cotton industry should be in charge of a Central Cotton Committee. This is an amendment which the Government will not say they will not consider or they cannot consider, but it would be an expensive luxury. The Cotton Committee was costing us about one lakh of rupees and with the money that may be at the disposal of the Government they may be able to do far more in the way of research at any rate for the present than by expending it on travelling allowances and on the constitution of a committee on the lines of the Central Cotton Committee. Various Local Governments will have been approached. They find it already very difficult to depute their agricultural officers for the purpose of meetings in connection with the Central Cotton Committee, and without their co-operation nothing can be done. I promise, therefore, that I will bear this recommendation in mind and seek expert official opinion as to whether we can move on those lines with benefit to the sugar industry. But I cannot at present accept the position that the Government should constitute straight away a Committee, which would be an expensive Committee, which would be a Committee which will have to draw upon the time of the agricultural officers in the various provinces, without further consideration. As it is likely that we may arrive at some settlement with regard to the expenditure of money, I would suggest that the Honourable Lala Sukhbir Sinha may leave this over for the present and bring it up at a future date to enable the Government to give some thought and detailed consideration to his proposal. But at the present moment, if he is going to press his amendment, I much regret that I cannot accept it.

THE HONOURABLE LALA SUKHBIR SINHA: The Resolution is only recommendatory: it is not obligatory. Government will have full time to consider the Resolution.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member wish to withdraw his amendment or shall I put it?

THE HONOURABLE LALA SUKHBIR SINHA: I press it.

THE HONOURABLE THE PRESIDENT: The question is:

That to the amended Resolution the following words be added:

"And that a Central Sugar Committee on the lines of the Cotton Committee be appointed to deal with this problem."

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The Council is now back on the original Resolution and Mr. Sethna's amendment.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, if I understand the discussion that has proceeded till now, it is clear that the Government of India are quite in sympathy with the main objects of the Honourable Sardar Jogendra Singh's Resolution. I think also that we may in the end persuade them to spend some money for the purpose which my Honourable friend has in view, though not exactly in the same detailed manner as he expects the money to be spent. The amendment I am now going to move may perhaps meet with the wishes of all parties, and I will state at once that the amendment is more or less the result of consultation among friends and I am but an instrument for presenting it to this House. I move:

That after the words.....

THE HONOURABLE THE PRESIDENT: Does this relate to the original Resolution?

THE HONOURABLE MR. G. A. NATESAN: Yes. I move:

"That after the words 'this Council recommends to the Governor General in Council' all the words be dropped and the following be substituted:

"that additional funds may be provided so far as possible for the extension of research with the object of promoting the development of the sugar industry and that the attention of Provincial Governments be invited to the importance of improving and extending sugar cultivation in the country'."

Sir, after the exhaustive discussion that has been pursued here, I do not feel justified in taking up the time of the House. I would draw the attention of the Honourable Mover to the fact that this amendment lays stress on the fact that additional funds should, as far as possible, be provided for the extension of research, the main object he has in view, and further it draws the attention of the Provincial Governments to the importance of the question; where they are already doing it, they will be asked to extend their operations further, and, if the Imperial Government find the money, as I hope they will, they will devote it solely to the object of promoting research. I think my amendment will satisfy the requirements of the case, and I hope it will be an amicable solution of this question.

THE HONOURABLE THE PRESIDENT: Another amendment has been moved which runs as follows. It is the substitution of a third Resolution.

"This Council recommends to the Governor General in Council that additional funds may be provided so far as possible for the extension of research with the object of promoting the development of the sugar industry and that the attention of Provincial Governments be invited to the importance of improving and extending sugar cultivation in the country."

[The President.]

Before we proceed with the discussion, I would ask the Honourable Mover of the first amended Resolution, Mr. Sethna, whether he is prepared to substitute this amendment for his amendment as it is somewhat on the same lines.

THE HONOURABLE MR. PHIROZE C. SETHNA: May I be asked that after I have heard the Government Member?

THE HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab: Muhammadan): Sir, it seems to me that the main problem now is to provide money for this scheme, which is involved in the Honourable Sardar Jogendra Singh's Resolution. The whole question, therefore, revolves round this one point. It appears that the Government, on account of the financial stringency, are unable to finance this scheme, and, therefore, they have to reject this proposal. In order, Sir, to provide money, I wish to move an amendment. (The Honourable Member paused for a little while).

THE HONOURABLE THE PRESIDENT: Let the Honourable Member proceed.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: I wish to move the following amendment, namely, that the following words be added to the Resolution:

"That the capital required may be raised by a loan in the form of debentures on which Government would guarantee 7 per cent."

THE HONOURABLE THE PRESIDENT: Will the Honourable Member hand in the wording?

(The amendment was handed in).

THE HONOURABLE SIR ZULFIQAR ALI KHAN: This amendment, Sir, is based on the recommendation of the Sugar Committee, which runs as follows:

"We realise that, in consequence of the many heavy claims on them in other directions, Government may be unwilling to provide the funds required for the factory in the ordinary way. In that event, we would suggest that the capital required might be raised by a loan issued specifically for this purpose in the form of debentures, on which Government would guarantee 7 per cent. interest free of income-tax, and the holders of which would also share equally with Government in any profits above 7 per cent. up to 13 per cent. The debenture holders would thus receive a definite guarantee of 7 per cent. interest on their holdings, and would also have the possibility of obtaining an additional 3 per cent. A block of debentures should be reserved for the cultivators of cane in the area on which the factory would draw for its supplies. If this scheme were adopted, the Board of Directors might consist, in addition to the Managing Director, of the Director of the Sugar Research Institute, one Director nominated by the Sugar Board, and two Directors nominated by the debenture holders. Under this scheme the factory would virtually be worked by a Joint Stock Company. Whichever alternative is adopted, we consider that it should be provided in the Articles of Association or otherwise that the factory should carry out any general experiments which may be regarded by the Sugar Board as of obvious benefit to the sugar industry as a whole. The presence of the Director of the Sugar Research Institute, and probably also of other members of the Sugar Board, on its Directorate would ensure harmony between its policy and that of the Sugar Board and the Research Institute."

I think, Sir, that, if this is accepted, it will solve the whole problem. With these words I commend my amendment for the favourable consideration of the House.

THE HONOURABLE THE PRESIDENT: Before I put to the House the amendment which has just been proposed, I will call upon the Honourable Sir Narasimha Sarma as it may clear the issues.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, I will take the two amendments now before the House in the order in which they have been moved. With regard to the first amendment moved by the Honourable Mr. Natesan, I may say, Sir, that the Government of India feel that that amendment is perfectly in consonance with their expressed intentions on the subject of the main Resolution. It does not violate the spirit and it is a position which the Government can accept because research is a Central subject and it would be perfectly open to the Government of India constitutionally and in accordance with the Devolution Rules to expend Central revenue on research. Inasmuch as the amendment asks that additional facilities by way of money grants be made for the extension of research, the Government of India are in a position to accept it. They have been trying to provide additional funds and they hope to provide the necessary money as soon and as early as may be practicable.

The second part of the amendment deals with directing the attention of the Local Governments to the fact that more perhaps may be done than is being done at present. I would not look at the second part of the amendment in the light of its being an adverse criticism. I frankly recognise that the Local Governments are doing within the limited money resources at their disposal all that can be done for the improvement of sugar cultivation. We have drawn their attention to this subject already. They have sent us replies expressing their sympathy. It is true that there are several appointments on the agricultural side which are still vacant and, if the Local Governments have not been able to fill those appointments, it is not due to lack of sympathy but to lack of funds. At the same time, Sir, the Government of India fully realise that they would be doing nothing but the correct thing if they were once more to draw the attention of the Local Governments to the paramount importance of the sugar industry and ask them that their earliest attention and sympathetic consideration should be devoted to its improvement. I am therefore, Sir, prepared to accept the amendment of the Honourable Mr. Natesan. Inasmuch as we have gone so far, I would suggest to the Honourable Sir Zulfiqar Ali Khan to withdraw his amendment.

THE HONOURABLE THE PRESIDENT: I have not yet put the amendment of the Honourable Sir Zulfiqar Ali Khan to the House.

THE HONOURABLE MR. PHIROZE C. SETHNA: May I speak just a few words, Sir. I understand from what the Honourable Member in charge told us that he is prepared to accept the amendment moved by the Honourable Mr. Natesan. I am prepared to withdraw my amendment if the Honourable Member gives us some indication as to the amount of money that Government has been spending for the last few years on the improvement of the sugar-cane industry and the amount of money that they propose to spend now.

THE HONOURABLE LALA SUKHBIR SINHA: Sir, I would like to say a few words about the amendment moved by the Honourable Mr. Natesan.

THE HONOURABLE THE PRESIDENT: Certainly. The question before the House now is merely between Mr. Natesan's amendment and Mr. Sethna's amendment.

THE HONOURABLE LALA SUKHBIR SINHA: Mr. Natesan's amendment relates only to experiments and not to any other question. The Resolution intends to cover many other questions relating to cane cultivation and

[Lala Sukhbir Sinha.]

sugar manufacture. His amendment is confined only to research work. I may tell him that research work alone is not required for this industry. Besides the problem of finding a good variety of sugar-cane which will give more juice and consequently more sugar, there are other problems with which cultivators will be confronted. For instance, if a cultivator has a good crop of cane or a better variety of cane but has not got a crusher or the boiling pan fit for that crop, then what will he do with the cane crop? How will he be able to make money out of the crop? So there are many other questions which are involved in the cultivation and manufacture of sugar-cane and for these we require the assistance of Government.

I may quote a few cases of sugar factories. For instance, there is a big factory at Philibit. I know it myself. I have been there on several occasions. Their difficulty is that they cannot get sufficient land for cultivation. They have got good varieties of sugar-cane but there is no land for cultivation. They feel the difficulty of getting a sufficient quantity of juice at the proper time, and therefore the factory had to be stopped for some time. Such are the difficulties that are connected with this question and therefore I would request the Government to fix some amount of money for the whole question of sugar-cane cultivation and manufacture and not only for research. I therefore oppose Mr. Natesan's amendment.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): Sir, I have only just one word to say on the amendment moved by the Honourable Mr. Natesan. The question has been very clearly put by the Honourable Mr. Sethna. If the Government can assure us of the amount they are really prepared to spend in addition to what they have already been spending, I would be prepared along with Mr. Sethna to accept the amendment. But if this additional expenditure remains vague and no additional expenditure is likely to be incurred, then I think it would be much better if we adhere to the Honourable Mr. Sethna's amendment which asks for a provision of Rs. 20 lakhs a year.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to support the amendment which my Honourable friend, Mr. Natesan, has moved. But, at the same time, I would like the Government kindly to let us know the definite amount which they are going to earmark for this purpose. I am thankful to the Honourable Member for informing this House that the Governments of the Punjab and the United Provinces will be able to allot large areas of land for the development of sugar growing. In that connection, Sir, I want to make one observation, and that is that these grants of land to the Indian Sugar Growers' Association or to other bodies who may apply to take up the land should be made on the same terms as they were made to the British Cotton Growers' Association on the Lower Bari Doab Canal in the Punjab. Concessions like this are bound greatly to uplift the industry. I hope that all sorts of technical and professional advice will be placed at the disposal of the sugar cultivators by the Agricultural Department.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I am sure we are all very much indebted to the Honourable Sardar Jogendra Singh for introducing a most interesting discussion in this House. I only feel some slight regret that the Honourable Member who

usually sits immediately behind me is not here. I know he is very interested in sugar and feel sure that, if he had been present, we should have had the benefit of yet another amendment. (*The Honourable Mr. Phiroze C. Sethna*: "It is his company I referred to.")

Of the two amendments before us, Sir, I prefer that moved by the Honourable Mr. Sethna as providing something more definite for the consideration of Members and for the consideration of Government. I have said I prefer it; at the same time I am afraid I cannot see my way to support it; and that being so I propose to support the amendment moved by the Honourable Mr. Natesan. My reason for not supporting the amendment of my Honourable friend, Mr. Phiroze Sethna, is that at the present time we are not in a very happy position as regards the Budget. We do not know whether the Honourable the Finance Member will be able to face the financial year commencing on the 1st of April next with an estimated surplus. In fact I think most of us are inclined to believe that he will be facing that year with an estimated deficit. And that being so, I do not think that this Council should bind Government to the expenditure of a fixed amount in pursuit of investigations into the sugar industry. For this reason, Sir, I support the amendment of the Honourable Mr. Natesan. It does not bind Government to spend any particular sum of money, but I feel sure it will have the effect of keeping this most important matter ever before the Government and we should, and, I feel sure, we can rely upon the Honourable Member's assurance that when Government can provide funds for research into sugar they will do so. Sir, I support and commend to this Council the amendment of the Honourable Mr. Natesan.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I should like to say that I entirely agree with the remarks which have just fallen from the Honourable Sir Arthur Froom. I think that those in this Council who ask us at this moment to guarantee a definite figure of 20 lakhs for five years are really not entirely reasonable. The position as regards the Government of India Budget has been clearly put before the House and they know as well as I do that a figure of this kind—it is a very large figure—is one which cannot be lightly set aside for a particular purpose however desirable. The Council can rest assured that the views expressed here and the importance of this subject will not be lost sight of. But there are many other desirable things for which funds are required, and for the Council to ask Government definitely to set aside a figure of this kind is, I submit, entirely unreasonable, and it is not a position which, speaking for the Finance Department, I can possibly accept. I think that the amendment suggested by the Honourable Mr. Natesan is one which will appeal to all sides of the House and therefore I am prepared to support it.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official). Sir, I wish to support the amendment put forward by my Honourable friend, Mr. Sethna, and I wish to oppose the amendment put forward by my Honourable friend, Mr. Natesan, for the reason that the latter amendment is of that usual stereotyped kind in which everything is promised to be done and kept in view. But these are phrases with which we have become too familiar and they do not appeal to me. Mr. Sethna's proposal on the other hand is clear and definite and tells you what to do. It has been said that there is no money, but I am very surprised to hear it, because we were told the other day that we had a surplus of something like four crores of rupees and the Honourable the Finance Member put

[Mr. G. S. Khaparde.]

forward certain proposals for utilizing two crores of that surplus. Well, it is rather difficult for me to understand how there is a surplus one day and the next day a deficit. One does not know which way to turn. For a plain man like me the position is very difficult, for I am neither a financier nor a merchant and I do not know exactly where I stand. I am prepared to take it that there is some kind of surplus, at least one or two crores. It cannot be that there is a deficit; that is impossible to believe. Another thing impresses me in regard to this matter. The Honourable Sir Narasimha Sarma has of course explained all that the Government has been doing, making inquiries of Local Governments and employing experts, etc., but he does not seem prepared to tell me how much they have been spending on the matter or how much they propose to spend on it. That is one of those vague elusive things which do not commend themselves to me. If the Government said they were spending 10 or 20 lakhs or proposed to spend another 10 lakhs or so, I could understand it. As it is they will not tell me what they are spending or what they propose to spend, and they ask me to rely upon their assurance that the matter will be looked into and attended to as soon as possible. That is a kind of thing which does not appeal to me. The sugar industry is a very important one. In England when I was there when you were asked to tea you had to take your own sugar with you. I was once asked to produce my own packet of sugar which I had not taken with me. (*The Honourable Sir Arthur Froom*: "When was that?") That was in 1919. Therefore sugar is a very useful industry and it is one of those matters in which we could help England in times of difficulty. I am therefore entirely in favour of the original Resolution as it stands, but as that is not so definite as the Honourable Mr. Sethna's amendment I happily support that amendment.

THE HONOURABLE SIR NARASIMHA SARMA: Sir, I think the House is entitled to some explanation from me as regards the attitude of the Government of India, and perhaps a short explanation of the past difficulties of the Department might make it realize the importance of carrying the Government and the Finance Department with it, instead of pressing for what it may be impossible for the Government to accept. Honourable Members will remember that there was a very influential body of opinion that the Pusa Research Institute itself should be abolished, that the Government of India cannot afford to spend any money on research, on what are purely provincial subjects, and that in view of the financial condition of the country, some of these central institutions might be closed, and it was a hard struggle for our Department for two continuous years to maintain the *status quo*, and it was still more difficult to get any money—I am not blaming anybody,—having regard to the financial condition of the country; but I am extremely grateful to my Honourable friend, Mr. McWatters, for readily coming forward to support me in accepting the principle that something more might be done for the sugar industry at the earliest possible opportunity. (*The Honourable Mr. Phiroze C. Sethna*: "How much more is the point.") I think the Government of India cannot make a promise in this matter. It will have to be discussed between the two Departments. Before it can be decided how much more can be spent, it would first of all have to be seen how much money is available. That is a point which we shall have to discuss with the Finance Department, and it is only as a result of the consideration

1 P.M.

of the subject by the Government of India as a whole that any promise can be made.

There was some reference to the point that the Government of India is rolling in wealth and that about 3 or 4 crores of rupees are available. Honourable Members will remember that that would only be possible if the two Houses support a salt tax at Rs. 2-8 instead of Rs. 2, but, if the salt tax is to be reduced to Rs. 1-4, there is hardly anything left at all (*An Honourable Member*: "No Provincial contributions then.") Nothing at all, there will be hardly anything at all; and Honourable Members will also remember that we shall have to incur this expenditure, (which it is asked should be promised now) not for one year alone but continuously; it is recurring expenditure, and therefore whether the year is a good one or a bad one, we should have to find the money that we may proceed year after year with this research, and hence Government must be extremely careful to see, before they can make a promise, that they are in a position to fulfil that promise. If it is a question of a grant for one year, it would be a different thing altogether. Therefore, if you say that you cannot accept this, well, Government can only say, "We are very sorry, we will do what we can"—it is not a question of a threat or anything of the kind—"we will do what we can, but we should also be absolved from any promise that we made," and rather than do that, I would suggest to the House seriously that it would be helping me as Head of the Department considerably if it were to accept Mr. Sethna's amendment, as proposed to be amended by Mr. Natesan, which would enable me to go to the Government and get some money for the object which all of us have at heart.

Well, with regard to the sums that have been spent, I think on the Sugar Bureau we are spending about Rs. 40,000, and we are spending some money on Coimbatore with regard to research on sugar—I cannot say exactly how much it is, but it is not a very formidable sum such as that mentioned in Mr. Sethna's amendment. I must freely grant,—but I do not wish to be holding out any hope that an amount as large as that mentioned in Mr. Sethna's amendment can be allotted; I should be glad if it could be available. I shall strive to get that money but I do not want to mislead the House by holding out hopes that the Government of India can find that money. That is the position, and I think that is as far as we can go in order to meet the wishes of the House to do what we can on the subject of agriculture in which all Honourable Members in this House are taking a particularly keen interest. I hope they will accept the amendment in the spirit in which it has been accepted by the Government and set this controversy at rest.

THE HONOURABLE KHAN BAHADUR NAWAB MOHAMED MUZAMMIL-ULLAH KHAN (United Provinces: Nominated Non-Official): Sir, in view of the financial difficulties and in view of the crisis through which the Budget is passing, it is really like asking the Finance Secretary to go to the moon if he is asked to provide a definite sum. Therefore, I am very sorry I am unable to accept the amendment of my Honourable friend, Mr. Sethna, but what the amendment of the Honourable Mr. Natesan proposes is worthy of consideration, and I think it should be supported. There is a Persian saying that:

"Shud praishan khuab man az kasratary tabirha".

which is the fate of this Resolution; so many amendments have been proposed that the original Resolution is nearly disappearing: and I should

[Nawab Mohamed Muzamil-ullah Khan.]

have liked to make a suggestion, not an amendment, that the debate might be postponed to a future date so that a Committee might consider all these amendments, and frame the Resolution in such words that it may become quite a sound proposal. Anyhow, Sir, as the House and you are well aware, there was a very short time at our disposal on Friday when we were discussing the Budget. Perhaps about half a dozen times I stood up to speak and to make a very fine speech but I could not get an opportunity. Anyhow now there may be luckily a chance for me to speak on the Budget later on, because, Sir, it has been mentioned by the Honourable Sir Narasimha Sarma that there is some reference in the Budget, and I would have the privilege of saying a few words upon that. Anyhow it seems to us that the fate of the Budget at present is this; that the Assembly . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member will have an opportunity of speaking on financial subjects on the Financial Bill.

THE HONOURABLE KHAN BAHADUR NAWAB SIR MOHAMED MUZAMIL-ULLAH KHAN: Sir, in this connection I only refer to it in this way that the Finance Department cannot promise anything because the Finance Bill is at this moment being considered in the other House and they may probably throw it out, and the alternative decision will remain in the hands of the Government; and I submit that some little consideration should be shown to the sugar industry by the setting aside of a fixed sum by the Finance Department in consultation with the Agricultural Department to help this industry according to the amendment of the Honourable Member. Of course it will be left to the taste of the Government Members whether they like salt or sugar.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, I am fully in agreement with the very sound views put forward by the Honourable Sir Narasimha Sarma. I think there is a great deal in what he has said. The subject is a very difficult one. It is not that we are not in support of developing the industry in itself. It has been a long, long time that everybody is of opinion that the sugar industry is of such great importance that we should, if possible and practical, support the development of the industry. But there are very many difficulties in the way, and one can perhaps for many hours descant on them. But of course I do not wish to detain the Council by any remarks of my own on the question of sugar industry as a whole. But as far as the amendments have gone, the very large number of amendments show what are the difficulties in the way. One proposal is put forward in one amendment, another proposal is put forward in another amendment, and so on, but I think, Sir, that the arguments put forward by the Honourable Sir Narasimha Sarma are most pertinent and weighty, and I consider, Sir, that the House will do well in the present circumstances, to take them into consideration and also the finances of the country. The position taken up by the Honourable the Revenue Member, as as well as by the Honourable Mr. McWatters cannot be easily shaken. They very lucidly pointed out that the Government of India are not in a position to do anything. There are hundreds of things,—the Government of India are asked to spend say, 20 lakhs here, 30 lakhs there *ad infinitum*, which will all come up to a hundred crores. But the Government is not

in a position to find even a tithe of the monies so glibly demanded. Therefore, I say that we should first take into our serious consideration the question of the finances of the Government at present and the many embarrassments from which they are not yet free. What is this surplus on which so many have cast a wistful eye? What is this surplus? It is not a surplus at all I say. It is a surplus merely because there is a certain windfall which has given a wee bit of excess in receipt over expenditure. That is not a real surplus at all. But I say, Sir, that when everything is taken into consideration, this House will do well and wisely to consider the financial position of the Government. It is all very well for us to say that Government may give this and may give that. But how is the administration of the country to be carried on if everybody thinks he may have a finger in the small pie here and a finger in the pie there? That is not practical. It is on the contrary most objectionable. I think, taking everything into consideration, that the amendment which Mr. Natesan has put forward is a very good one.

Another point to be considered is this. Provincial Governments have of course to look after the sugar plantations in their respective administrative areas. That is one thing. Next, the provincial agricultural co-operative societies ought to concentrate their serious attention on it. Let the Provincial Governments ask the agricultural co-operative societies to see what can be practically done. The agricultural co-operative societies can do a great deal by advancing monies for pioneering the industry and that would be the right way to proceed. It is the agricultural co-operative societies which ought to impart the education wanted. Every time to go and beg Government to do this and to do that is a procedure which I entirely condemn. It argues a sad want of the spirit of self-help which is the one thing needed for industrial development. I am therefore in entire sympathy with the amendment which Mr. Natesan has proposed and to which the Honourable Sir Narasimha Sarma and Mr. McWatters have given the greatest support.

THE HONOURABLE THE PRESIDENT: I see many Honourable Members still rising. I would point out to them that there has been a very full discussion on the question of these two amendments. The point at issue is a comparatively narrow one and it has been fully discussed. If Honourable Members wish to speak, I will not put the question, but I do suggest to them that these competing amendments have been very fully discussed.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): With your permission, Sir, I can suggest another amendment (Laughter).

THE HONOURABLE THE PRESIDENT: I will put the question. There are two amendments before the House, namely, that of Mr. Natesan and Mr. Sethna.

Amendment moved by Mr. Sethna:

"That for the Resolution on the paper the following Resolution be substituted:

'This Council recommends to the Governor General in Council that a sum of at least rupees twenty lakhs be set apart annually for five years to be spent for the purpose of the improvement and extension of sugar cultivation in the country'."

[The President.]

To that amendment, an amendment was moved by Mr. Natesan as follows:

"This Council recommends to the Governor General in Council that additional funds may be provided so far as possible for the extension of research with the object of promoting the development of the sugar industry and that the attention of Provincial Governments be invited to the importance of improving and extending sugar cultivation in the country."

The Council divided:

AYES—31.

Abdul Karim, Maulvi.
Acharyya Chaudhuri, Maharaja S. K.
Amin-ul-Islam, Mr.
Barron, Mr. C. A.
Bell, Mr. J. W. A.
Briscoe, Mr. H. K.
Chettiyar, Sir S. M. Annamalai.
Crerar, Mr. J.
Dadabhoy, Sir Maneckji.
Froom, Sir Arthur.
Ley, Mr. A. H.
MacWatt, Major-General R. C.
Martin, Mr. J. R.
McWatters, Mr. A. C.
Misra, Pandit Shyam Bihari.
Mitter, Dr. Dwarkanath.
Moti Chand, Raja.
Muzammil-ullah Khan, Nawab.
Natesan, Mr. G. A.
Rafique, Sir Muhammad.
Ram Saran Das, Mr.
Raza Ali, Mr.
Sarma, Sir Narasimha.
Sarvadhikary, Sir D. P.
Shafi, Dr. Mian Sir Muhammad.
Singh, Sirdar Charanjit.
Stokes, Mr. H. G.
Stow, Mr. A. M.
Thompson, Mr. J. P.
Wacha, Sir Dinshaw.
Zahir-ud-din, Mr.

NOES—13.

Akbar Khan, Major Nawab.
Ayyangar, Mr. K. V. R.
Barooah, Mr. C.
Jogendra Singh, Mr.
Karandikar, Mr. R. P.
Khaparde, Mr. G. S.
Ray, Raja P. N.
Sastri, Rt. Hon. V. S. Srinivasa.
Sethna, Mr. P. C.
Sinha, Mr. Sukhbir.
Umar Hayat Khan, Col. Nawab Sir.
Vedamurti, Mr. S.
Zulfiqar Ali Khan, Sir

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The further question before the House now is this. The original Resolution as moved by the Honourable Sardar Jogendra Singh was as follows:

"This Council recommends to the Governor General in Council that a definite proportion of the duty collected on sugar may be devoted to the establishment of pioneer sugar factories and to the promotion of sugar-cane cultivation."

To which an amendment has been moved by the Honourable Mr. Natesan which runs as follows:

"That this Council recommends to the Governor General in Council that *additional funds may be provided so far as possible for the extension of research with the object of promoting the development of the sugar industry and that the attention of Provincial Governments be invited to the importance of improving and extending sugar cultivation in the country.*"

The question that I have to put is that the Honourable Mr. Natesan's amending Resolution be adopted.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: That, I think, disposes of the Honourable Sir Zulfiqar Ali Khan's amendment. Does the Honourable Member wish to move it?

THE HONOURABLE SIR ZULFIQAR ALI KHAN: No, Sir.

RESOLUTION *RE* DELETION FROM THE STATUTE-BOOK OF THE RATIO OF TWO SHILLINGS TO THE RUPEE.

THE HONOURABLE THE PRESIDENT: The Honourable Sardar Jogendra Singh.

THE HONOURABLE SARDAR JOGENDRA SINGH: Sir, there are just a few things which I wish to point out regarding the Resolution about sugar manufacture and cultivation. In the first place . . . .

THE HONOURABLE THE PRESIDENT: I am asking the Honourable Member to move his Resolution on the paper which runs as follows:

"This Council recommends to the Governor General in Council that the ratio of 2 shillings to the rupee be deleted from the Statute-book."

THE HONOURABLE SARDAR JOGENDRA SINGH: I have already given notice, Sir, that I do not want to move this Resolution. So I do not move it.

RESOLUTION *RE* TRANSFERRED SUBJECTS IN THE PROVINCES.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, I do not move the Resolution that stands in my name and which runs as follows:

"This Council recommends to the Governor General in Council that the Right Honourable the Secretary of State for India be moved to make provisions, without delay, by rules under section 45A (*1*) (*d*) of the Government of India Act, for transfer to the Governor in each Province (acting with the Ministers appointed under the Government of India Act) of all 'transferred subjects' with the exception of Law and Order, Police, Administration of Justice and European and Anglo-Indian education."

THE HONOURABLE THE PRESIDENT: That finishes the business of the day.

The Council then adjourned till Eleven of the Clock on Thursday, the 13th March, 1924.

COUNCIL OF STATE.

Thursday, the 13th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

SESSION OF THE LEGISLATURE AT SIMLA IN MAY.

THE HONOURABLE THE PRESIDENT: I understand there is a private notice question. Will the Honourable Member please read the question?

THE HONOURABLE MR. J. W. A. BELL: I should like, Sir, with your permission, to put a question to the Honourable the Leader of the House, of which I have given him private notice, and, as Members have not received copies of that question, I would ask your permission to read it. The question is as follows:

(*a*) Will Government be pleased to state whether they have decided that there shall be a Session of the Legislature at Simla in May?

(*b*) If so,

(i) will Government be pleased to explain the necessity for holding a special Session?

(ii) have Government taken into consideration the great inconvenience to which Members will be subjected by reason of having to leave the management of their private affairs so soon after their return from a two months' Session at Delhi, not to speak of the personal inconvenience arising from their having to travel to and from Simla in the hottest season of the year?

(*c*) Is it proposed to hold a Session of the Legislature at Simla in September?

(*d*) If so, have Government considered the additional expense which will be incurred in summoning the Legislature to Simla twice in one season?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: (*a*) The present intention of Government is to hold a short Session, probably in May.

(*b*) (i) The reasons why Government consider this Session necessary were fully explained in a statement made by the Honourable the Commerce Member in another place. A copy of this statement is placed on the table.

(ii) Government have taken into consideration and very much regret the inconvenience to which Honourable Members will be put on both the grounds stated in the question.

(*c*) In the ordinary course of events there will be a Session of the Legislature at Simla in September.

[Dr. Mian Sir Muhammad Shafi.]

(*d*) For the reasons given in the reply to (*b*) above, Government cannot in this case be deterred by the question of additional expense.

THE HONOURABLE MR. G. A. NATESAN: A supplementary question, Sir. Will the Honourable Member be good enough to state what will be the approximate cost of a week's Session in Simla of both the Houses?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, the cost of the session at Simla, I am sure the Honourable Member will realise, will depend partly upon the duration of that session. It is, of course, at this stage impossible to say definitely what the cost will be, but, if the cost of the last session at Simla is any indication, I am able to give the figures in connection with that. The cost of the Simla session of 1923 was as follows:

Council of State.

	Rs.	A.	P.
Travelling allowances of official and non-official Members .	18,444	12	0
Daily allowances of official and non-official Members .	8,580	0	0
Total .	27,024	12	0

Legislative Assembly.

	Rs.	A.	P.
Travelling allowances of official and non-official Members .	50,080	0	0
Daily allowances of official and non-official Members .	49,420	0	0
	99,500	0	0
Contingent expenditure, approximately . . .	1,700	0	0
Total expenditure on the entire Legislature . .	1,28,224	12	0

This excludes the telephone charges for the Assembly and Council Chambers and also at Members' quarters. Honourable Members will remember that the last session at Simla, in so far as the Legislative Assembly was concerned, extended to, I think, four weeks, and as regards the Council of State, a little over two weeks.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, the Leader of the House has told us that the session will be a short one. Could he give us an idea whether it will be a week or ten days, or longer. Further he says it will be in May. Can he give us an indication whether it will be early in May or late in May?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: As regards the duration of the session, I think it will probably be somewhere about a week. As to whether it will be early in May or towards the end of May, I am not at present in a position to make a statement.

THE HONOURABLE SIR ARTHUR FROOM: Will the Honourable Member inform the House whether, in the event of this special short session in May, it will be for the conduct of some special business only, and that notice of this business will be given to Honourable Members of this Council? In putting this question to the Honourable Member, what I wish to establish is whether Government merely intend to call us up for one special business and would undertake that no other business which

ordinarily would be brought before the Council say in the September session would be introduced in May? It would be a determining factor with many Members whether they would attend the special session or not.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I should require notice of that question, Sir, in order to be able to answer it adequately.

THE HONOURABLE MR. PHIROZE C. SETHNA: Do Government consider it absolutely impossible to extend the life of this session by a week or ten days and do the work which it is intended to bring up during the session in May, during the present Session?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: It is impossible in the circumstances to do that.

THE HONOURABLE KHAN BAHADUR NAWAB SIR MOHAMED MUZAMMIL-ULLAH KHAN: Will the Honourable Member kindly try to fix the session, if possible, at the end of May instead of the beginning?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: That consideration will be borne in mind.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I beg to move:

"That the Bill further to amend the Sea Customs Act, 1878, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: It has been suggested to me by the Secretary that perhaps it would be convenient to the House if you, Sir, would allow me to read the statement made by the Honourable the Commerce Member in the other House, so that those Members who have not seen that statement might hear it now instead of referring to it afterwards.

THE HONOURABLE THE PRESIDENT: I think it is very desirable to follow the suggestion of the Honourable Member.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: In answer to question No. 624 on the Assembly's list, this is what the Honourable Sir Charles Innes said:

"The Government of India have considered most carefully whether it will be possible for them to arrive at their conclusions on the Tariff Board's report in time to place them before the Legislature this session, but they regret that they see no possibility of being able to do so. The report is in two parts. Though they received a first proof of the preliminary chapters of the first parts on February the 11th, they did not receive a complete proof of that part till February 18th. The proof of the second part of the report was not received till February 28th. Copies of the evidence, with the exception of that of a very few witnesses, have not yet been received. The report covers not only the steel industry but also industries based on steel and raises questions of great difficulty and far-reaching importance. It is quite impossible for the Government of India to come to a decision on these questions without giving them more consideration than the time at their disposal has permitted them to do. They share the general desire that a decision should be come to on the report with the least possible delay and in the circumstances I am authorised to say that the present intention is to summon a special session of the Legislature as early as possible in the summer in order that the conclusions of the Government on the report may be placed before the Legislature. I am aware that this course will place the House at a great inconvenience, but I hope that they will realise our difficulties and recognise that this is the best possible solution of dealing with a very difficult and very important subject. The effect will be that the House will be adjourned as at present contemplated. We shall consider the report probably in April and we hope to be able to call an adjourned session or a new session probably in May in order to consider our conclusions."

[Dr. Mian Sir Muhammad Shafi.]

Sir, in reply to a supplementary question put by Sir Gordon Fraser, the Honourable Sir Charles Innes added:

"I have already explained the reasons why Government have come to this decision. I recognise that a special session in May will cause a very great deal of inconvenience to the Members of the Legislature. We fully recognize that fact, but at the same time everybody is agreed that this is a matter on which it is necessary to come to a decision as early as possible; so this special session is the best solution that we could find of the case. I must repeat what I have already said—that we feel that it is quite impossible for us to come to conclusions on this extremely important question within the time left to us during the current session."

In reply to another supplementary question by the same Honourable Member, the Honourable Sir Charles Innes further added:

"The House may rest assured that the report will be published in plenty of time before the special session takes place."

THE HONOURABLE THE PRESIDENT: I must ask the indulgence of the Honourable Mr. Chadwick for the interruption. He can now proceed with his motion.

SEA CUSTOMS (AMENDMENT) BILL.

THE HONOURABLE MR. D. T. CHADWICK: Sir, I beg to move:

"That the Bill further to amend the Sea Customs Act, 1878, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

This is an extremely small Bill and is intended to repeal the proviso to section 20. Under section 20 of the Sea Customs Act, all stores imported on Government account, whether for the Government of India or for Local Governments, are exempted from payment of customs duties. The effect of the repeal will be to make such stores hereafter subject to the payment of customs duty. This Bill carries out one of the recommendations of the Fiscal Commission. The Commission said that they had received much evidence from commercial and industrial bodies objecting to the right that Government had to import stores free of duty. They recognised that under the Stores Rules, when comparing tenders from abroad with tenders from India, customs duty and other charges must be added to the price quoted. I wish to assure the House that, as far as the Railway Board is concerned and the Indian Stores Department is concerned, those Stores Purchase Rules are strictly observed: possibly and occasionally they may not be in all cases. But at the same time Government is bound to recognise that the industrial and trading community in India do not consider those rules to be a sufficient safeguard. Therefore, as opinion in India is absolutely unanimous, as far as has been ascertained, on this point Government have decided to repeal this proviso.

The Fiscal Commission recommended that the repeal should only extend to articles which are manufactured in India, and that articles which are not manufactured in India should still be imported free of customs duty if required by Government. That suggestion has been examined but in practice it would not be workable and so the repeal is being made absolute. The only exception that will be made relates to arms and ammunition, certain military stores, aeroplanes, aeroplane engines, currency notes and postage stamps.

There is one point to which I must allude, and that is the case of Local Governments. It is recognised that this Bill will increase the expenses of Local Governments in so far as they have to pay duties on stores imported by them. The object of the repeal of this proviso is to encourage industries in India. Industries are a provincial transferred subject and the encouragement of them is as much a matter of interest to Local Governments as it is to the Government of India. It would not therefore be unreasonable to ask Local Governments to bear this slight extra cost. However, we are bound to recognise that the Local Governments have enjoyed this privilege for many years and that many of them are in financial difficulties themselves; and so at present, for the time-being until the matter can be further discussed, it is proposed to open accounts in the Customs Office and keep an account of the amount of duty that different Local Governments have paid. At the end of the year those amounts will be refunded to them. Therefore for the present no Local Government will be harmed financially by the Bill now brought before the Council.

The Bill of course does result in a certain amount of inflation on both sides of the account. It will increase our customs duty. It also does increase the demand for grants for the large spending departments and to some extent for the administrative departments. It may be said that that is payment out of one pocket into another. To a slight extent that is true, but in some cases—as, for instance, in the Railways, specially if separation goes through, it will be a definite payment from the Railway Department to general revenue. The difference that the Finance Member has estimated it will make in the total customs revenue is that it will increase the customs revenue by 163 lakhs, of which he estimates that something like 22 lakhs will be refunded to Local Governments and another 25 lakhs will come as an increase on the military estimates by which those estimates must be enlarged, and that the bulk of the rest will fall upon the Railways.

I think there is very little opposition to this Bill. I have explained its purport and its effect, and I commend it to the acceptance of the Council.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, this Bill is intended to give effect to the recommendation of the Fiscal Commission of which I had the honour of being a member by embodying their decision in a legislative enactment. This Bill, though of a very simple character, is of a far-reaching nature and of great importance to the commercial world. This Bill has not seen the light of day too soon. In fact, I myself had got tired of the delay on the part of Government in introducing this measure, and I drafted a Bill and presented it to the Legislative Department to be introduced in this Council; and it was on the assurance of my Honourable friend, Mr. Chadwick, that the Government had already prepared a Bill and were considering the matter with the Secretary of State for India that I withdrew my Bill. Since the Sea Customs Act of 1878 was passed, there has been a revolutionary change in fiscal ideas in this country. In 1878, when the Sea Customs Act was enacted, there were very little imports into this country and the customs duties too were more or less of a nominal character. At that time there was some justification for exempting Government stores from import duties in view of the fact that the Government was the largest individual importer of goods in this country. There were no industries

[Sir Maneckji Dadabhoy.]

in 1878 of any great importance in this country. The era of industries arose very considerably after the nineties in India. So the justification was apparent at that time, but with the advent of new industries in this country, with the manufacture of stores in this country, the Fiscal Commission came to the conclusion that, though Government were doing their best by the Stores Purchase Rules to avoid all injustice when considering competitive tenders, yet it was not possible for them on many occasions to avert the injustice wholly, and it was suggested that the proviso to claus 20 of the Sea Customs Act should be altogether deleted so that the matter might be placed on a firmer footing. There was an additional justification for carrying into effect this recommendation also. The Fiscal Commission's Report, as Honourable Members have seen, has also recommended a policy of discriminate protection, and that policy could not possibly be given effect to unless imports of stores required by Government, which is the largest individual consumer, paid the same import duty. Industries could not be protected in this country by the higher tariff duty if Government did not pay import duties. It may be said by some of my Honourable Colleagues that after all what did it matter. Government would be raising revenue on the one hand and disbursing it on the other; it is merely money coming from one pocket to another; but it is not so. It is not merely a matter of book-keeping. It would afford a substantial measure of protection to the industries in this country, and the sales of stores actually manufactured in this country will also obtain additional impetus and incentive. Further, if the policy of separating the Railway finance from the General finances of the country is introduced, this Bill will really be of great benefit. In view of the proposed modification of that policy, this measure is further justified. I have no doubt Honourable Members will perceive the scope and the utility of this measure and give their support to it as this subject has been thoroughly thought out by the Fiscal Commission and it was only after mature consideration that they came to this decision, which it is now sought to embody in an Act of the Legislature.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: As there are only two clauses to the Bill, I will put them together as also the Preamble.

Clauses 1 and 2 and the Preamble were added to the Bill.

THE HONOURABLE MR. D. T. CHADWICK: Sir, I beg to move:

"That the Bill further to amend the Sea Customs Act, 1878, for certain purposes, passed by the Legislative Assembly, be passed."

The motion was adopted.

INDIAN TARIFF (AMENDMENT) BILL.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I beg to move:

"That the Bill further to amend the Indian Tariff Act, 1894, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

This is another small Bill of a useful nature which is brought to the attention of the Council. The Indian Tariff Act of 1894 gives power to the Government of India to impose customs duties

on certain of the frontiers of India, so far as it applies to the sea frontiers, I have nothing to say on it. But it also deals in section 5 of the Act with the land frontiers. As at present drafted, the effect of that section is as follows:

The Government of India shall impose customs duties at the same rates as those imposed on the sea frontiers on goods crossing the land frontiers to and from the European Settlements in India. Further, the Government of India may impose such duties on any goods crossing the land boundaries between Indian States and British India wherever such Indian States have been notified as foreign territory for the purpose of this section. In regard to Indian States, that power has been vested in the Government of India for the last fifty years, and before that it was vested in the Governments of Madras and Bombay. This Bill makes no change whatever in that power. So far as Indian States are concerned, the powers of the Government of India remain unaltered, what they always have been. But the House will notice that the Act of 1894 gives us no authority whatever to charge duty on goods crossing by land over what may be called the external land frontiers of India, as for instance from Siam or China to India or over our northern frontiers. Hitherto there has been very little need to consider the levy of duties on such goods. However, during the last year, it has become a matter of considerable moment to us. With the high duties which are now imposed on many goods in India, especially on some goods of small bulk such as matches, cigarettes and saccharine, it has become a profitable trade for importers to bring these small articles by routes other than by sea, especially where they can lawfully avoid the payment of duties by so doing. Matches and cigarettes have been coming over in considerable quantities from Bangkok and over the Siam frontier into Burma and India. So that already we have lost several lakhs of revenue. Cigarettes can be bought in Rangoon more cheaply than they can be landed there through the port In fact some have found their way right through as far as Delhi. Therefore, Sir, it is necessary that the Government of India should have power to impose duties upon goods crossing their external land frontiers, and that is all that this Bill purports to do. It does not make it compulsory, but makes it permissible. I hope I have explained the purpose of the Bill and leave it to the consideration of the House.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Tariff Act, 1894, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Council will now proceed to a detailed consideration of the Bill.

Clauses 1, 2, 3 and 4 and the Preamble were added to the Bill.

THE HONOURABLE MR. D. T. CHADWICK: I beg to move:

"That the Bill, as passed by the Legislative Assembly, be passed."

The motion was adopted.

STATEMENT OF OFFICIAL BUSINESS FOR TUESDAY, THE 18TH MARCH, 1924.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, the Resolution, of which the Honourable Mr. Ley has given notice, regarding the ratification of the draft Convention concerning the use of white lead in painting, adopted at the International Conference held in Geneva in 1921, will be set down for Tuesday, the 18th, on which date the Finance Bill will also be laid on the table, if it is passed by the Legislative Assembly on the day previous.

THE HONOURABLE THE PRESIDENT: I understand there is no business for Monday; I therefore adjourn the Council till Tuesday next at eleven o'clock.

The Council then adjourned till Eleven of the Clock on Tuesday, the 18th March, 1924.

COUNCIL OF STATE.

Tuesday, the 18th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN:

The Honourable Mr. Walter Archibald William Dawn (Burma Chamber of Commerce).

QUESTIONS AND ANSWERS.

Representation of Berar on the Central Provinces Council and the Central Legislature.

138. The Honourable Dr. Sir DEVA PRASAD SARVADHIKARY: (*a*) Would the Government please state the extent and manner in which the inhabitants of Berar are represented on the Central Provinces Legislative Council and the Central Legislature?

(*b*) Is it a fact that, owing to their disparity in numbers, the inhabitants of Berar occupy a position of inferiority in the Central Provinces Legislative Council?

(*c*) If so, will Government be pleased to state what steps they propose to take for remedying this state of affairs?

The Honourable Mr. J. CRERAR: (*a*) The numbers of persons nominated to be Members of the Council of State, the Legislative Assembly and the Legislative Council of the Central Provinces, as a result of elections held in Berar are one, one, and seventeen, respectively. Berar is not a portion of British India, and the Government of India Act does not itself apply to elections in Berar. The elections are held under rules framed under the Indian (Foreign Jurisdiction) Order in Council, 1902, whereas the composition of the legislative bodies in question is determined by the various electoral rules made under the Government of India Act. Persons elected in Berar accordingly take their seats in the legislative bodies in virtue of nomination by the Governor or the Governor General, as the case may be.

(*b*) and (*c*). According to the 1921 census the male population of the Central Provinces was in thousands 5,385 and that of Berar 1,565. The numbers of elected members are 37 and 17, respectively, and if the Honourable Member will work out the proportions he will find that Berar is over-represented on this basis. Government propose to take no action in the matter.

THE STEEL INDUSTRY.

139. THE HONOURABLE DR. DWARKANATH MITTER: (*a*) Have the Tariff Board submitted a report regarding the steel industry?

(*b*) If the reply to the above is in the affirmative, when do the Government expect to submit the report to the Legislature?

THE STEEL INDUSTRY.

140. THE HONOURABLE DR. DWARKANATH MITTER: Have Government decided on the action that they will take on the Tariff Board's report?

THE HONOURABLE MR. D. T. CHADWICK: With your permission, Sir, I will answer Questions Nos. 139 and 140 together.

I would refer the Honourable Member to the statement made by the Honourable the Leader of the House on March 13th.

PROTECTION OF THE STEEL INDUSTRY.

141. THE HONOURABLE DR. DWARKANATH MITTER: (*a*) Are the Government aware that the steel industry in India is reported to be in a critical condition owing to dumping from some countries on the continent, especially Belgium?

(*b*) If the answer is in the negative, will the Government be pleased to inquire into the condition of the steel market in India?

(*c*) Is it a fact that the Government in England are contemplating steps to prevent dumping of steel from the Ruhr district in England?

(*d*) Do Government contemplate any such action to protect the Indian steel industry?

THE HONOURABLE MR. D. T. CHADWICK: As the Honourable Member is aware, the condition of the steel industry in India has just been investigated by the Tariff Board, and the Government do not propose to make any further investigation. With reference to paragraph (*c*) of his question, the Honourable Member's attention is invited to the official report of the proceedings of the House of Commons for January 16th last. Government have no further information on the subject. With reference to part (*d*), Government have nothing to add to the announcement already made.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: The Honourable Member has not answered 141 (*a*) which does not ask for an inquiry?

THE HONOURABLE MR. D. T. CHADWICK: The Government of India have heard such rumours but the facts, so far as they have been able to check them, do not support them. The competition which the steel industry has to meet was one of the subjects investigated into by the Tariff Board.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: A supplementary question, Sir. Has the attention of the Honourable Member been drawn to the "Ironmonger", dated the 19th January 1924, in which this matter has been specially mentioned?

THE HONOURABLE MR. D. T. CHADWICK: I have already referred the Honourable gentleman to the authority on which the "Ironmonger" has made that statement, namely, the debate in the House of Commons on January 16th.

CONTRACT WITH MESSRS. CLEMENTS ROBSON AND COMPANY FOR THE SUPPLY OF EDIBLE GRAINS, ETC., TO THE MILITARY DEPARTMENT.

142. THE HONOURABLE LALA RAM SARAN DAS: (*a*) Will the Government be pleased to lay on the table of this Council a copy of the contract agreement entered into by the Controller of Contracts with Messrs. Clements Robson and Company for the purchase and supply of edible grains, etc., to the Military Department?

(*b*) Will the Government kindly state what is the total amount of expenditure thus incurred every year through Messrs. Clements Robson and Company?

(*c*) Will the Government kindly state whether or not a standing imprest advance of rupees five lakhs is allowed to Messrs. Clements Robson and Company for carrying out their contract referred to in (*a*) above?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (*a*) Government do not think it would be proper to lay on the table a copy of the agreement in question; but if the Honourable Member can make it convenient to call upon the Army Secretary, the latter will be prepared to give him such information regarding the terms of the agreement as can, with propriety, be communicated.

(*b*) The total expenditure incurred under the agreement from its commencement on the 1st July 1922 to the 29th February 1924 amounted to Rs. 2,33,07,059.

(*c*) No advance of any kind is made to the firm.

CORRUGATED IRON SHEDS AT RAILWAY STATIONS.

143. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: Would the Government be pleased to state what steps, if any, have been taken so far for putting up corrugated iron sheds over island platforms, referred to in my question* No. 147 of this Council on the 26th September, 1921, and also state when the work is likely to be completed?

THE HONOURABLE MR. D. T. CHADWICK: Sheds at two important stations, Natore and Ishurdi, of the Eastern Bengal Railway, have been completed. Improvements have also been effected at several other small stations. Further improvements are contemplated in the programme for the next five years which will be carried out as funds permit.

INDO-BURMA RAILWAY.

144. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: Would the Government be pleased to state when the Indo-Burma Railway is likely to be sanctioned?

THE HONOURABLE MR. D. T. CHADWICK: I beg to refer the Honourable Member to the reply given in this House on the 4th February 1924 to question No. 35 by the Honourable Lala Ram Saran Das on the same subject.

* *Vide* page 363, Council of State Debates, Vol. II.

EXTENSION OF THE BROAD GAUGE SECTION OF THE EASTERN BENGAL RAILWAY TO SILIGURI.

145. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: Is it intended to extend the broad gauge Eastern Bengal Railway line as far as Siliguri and, if so, when would the construction work be taken up?

THE HONOURABLE MR. D. T. CHADWICK: No final decision has yet been arrived at, in regard to the proposed extension of the broad gauge line from Parbatipur to Siliguri as the financial justification of this project is still under consideration.

OPENING OF THE BROAD GAUGE LINE FROM SANTAHAR TO PARBATIPUR.

146. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: When will the Parbatipur extension of the broad gauge of the Eastern Bengal Railway be opened, and, when opened, would it necessitate the alteration of the time-table and, if so, would the Railway Administration take into consideration the inconveniences that may be caused to the travelling public of the intermediate stations by such alteration, and make suitable arrangements to meet them?

THE HONOURABLE MR. D. T. CHADWICK: It is expected that the broad gauge line from Santahar to Parbatipur will be opened on 1st July next and, when opened, it is likely that the present time-table will have to be altered. The convenience of the travelling public will doubtless receive full consideration from the Railway Administration when arranging the revised timings.

PROPOSED RAILWAY FROM NACHOUL TO ISHURDI.

147. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: Would the Government be pleased to state whether the construction work of the Nachoul-Rajshahye-Ishurdi branch of the Eastern Bengal Railway is going to be taken up and, if so, when?

THE HONOURABLE MR. D. T. CHADWICK: The traffic prospects of a line of railway from Nachoul *viâ* Rampur Boalia to Ishurdi are being investigated. Until the results of this investigation are known it is not possible to say whether, and if so when, the construction of the line will be undertaken.

DISTRICT HEADQUARTERS WITHOUT RAILWAYS.

148. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: How many district headquarters in India still remain to be connected by railways, and which are they?

THE HONOURABLE MR. D. T. CHADWICK: There is a large Railway map attached to the Railway Administration Report to which I would request the Honourable Member's attention.

FLOODS IN NORTH BENGAL.

149. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: Would the Government be pleased to state what steps, if any, have been taken by the Eastern Bengal and the Sara-Sirajgunge Railways to prevent the recurrence of floods in North Bengal?

THE HONOURABLE MR. D. T. CHADWICK: The recommendations made by Rai Bahadur Ralla Ram, I.S.O., who was specially appointed by the Railway Board to undertake the investigation of this matter, have been accepted by Government and the Railway Administration has been instructed to give effect to them which, it is understood, is being done.

The additional waterway recommended is:

(*a*) On Santahar-Jamalgunj section about 150 ft.

(*b*) On Santahar-Kahaloo section about 480 ft.

(*c*) On Sara-Sirajgunj line about 100 ft. (effective).

INQUIRY INTO THE WORKING OF PRESENT CONSTITUTION.

150. THE HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA: Would the Government be pleased to state if it is proposed to appoint a committee to investigate into the working of the Government of India Act of 1919, as hinted in the speech of the Honourable the Home Member on the 18th February? If so, what would be the scope of the investigation and what would be the personnel?

THE HONOURABLE MR. J. CRERAR: As regards the method of the inquiry which is to be made into the working of the present constitution I can say no more than was contained in the statements made by the Honourable the Home Member on the 8th and 18th February 1924 in the Legislative Assembly. Copies of the proceedings of the Legislative Assembly on these days must have been supplied to the Honourable Member. Government will consult Local Governments but, except that the intention is that the investigation shall be a serious attempt to assess the causes of any defects in the working of the Act and to examine the remedies necessary, I am at the moment unable to say what further steps will be taken.

THE HONOURABLE THE PRESIDENT: (Addressing the Honourable Dr. Sir Deva Prasad Sarvadhikary) I understand that you have given private notice of a question. Will you kindly read it to the House?

RULES UNDER SECTION 67 OF THE GOVERNMENT OF INDIA ACT.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, I have given private notice to the Honourable the Leader of the House and ask the following questions:

(*a*) Would the Government be pleased to state when and under what circumstances and for what reasons it was decided to frame and promulgate rules under section 67 of the Government of India Act, which have been notified in the Gazette of India of the 15th March 1924?

(*b*) Would the Government please inform the Council of the different steps, in detail, that were taken by the Government for the purpose of having the rules brought into force?

(*c*) Would the Government please state when the Right Honourable the Secretary of State for India was first approached about the need for the rules?

(*d*) Would the Government please state if and when either House of the Central Legislature or the public was consulted about the matter, and if not, why not?

(*e*) When were the Rules laid before the Houses of Parliament and with what result?

(*f*) Is it intended to give effect to the rules before being laid before the Houses of Parliament, and if so, why?

(*g*) Would the Government please state the effect of the rules on the legislative powers (1) of the Government of India, (2) of His Excellency the Viceroy and Governor General, and (3) the two Houses of the Central Legislature?

(*h*) If the rules tend to augment such legislative powers (or diminish, as the case may be), are such rules permissible under the Government of India Act?

(*i*) If the rules have no such effect, what was the need and occasion for such rules?

(*j*) Have the Government consulted the Law Officers of the Crown in the matter, and if so, would the Government please state what their opinion and advice are?

(*k*) If the Government have not taken such opinion, do the Government propose to do so before putting the rules into force?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: (*a*) In part (*a*) of his question, the Honourable Member asks three questions, namely,

(1) when

(2) under what circumstances, and

(3) for what reasons

it was decided to frame and promulgate these rules. I will take the third point first. The reason is a very simple one. The original rules made under section 67 of the Government of India Act provided a procedure for legislation to pass through the two Chambers in the ordinary course. There was no procedure for the special class of Bills dealt with under section 67B. The section itself merely lays down that where one Chamber has failed to pass a Bill in the form recommended by the Governor General, the Bill shall, if not already passed by the other Chamber in that form, be laid before that Chamber, and goes on to describe the consequences if the second Chamber consents to or fails to consent to the Bill. It does not lay down any rules of procedure dealing with the Bill in the second Chamber, and the ordinary rules would in many cases be inapplicable. Further, in cases where a recommendation is made during the course of the consideration of a Bill by a Chamber of the Legislature—that is to say, after amendments have already been made in the Bill as introduced—it is clearly necessary to lay down the procedure enabling the Chamber to come to a decision then whether it will or will not pass the Bill in the form recommended. Without rules the Chamber might be held, by reason of Standing Order 30, to be precluded from considering

a motion proposing an amendment to any clause which, in the course of consideration, has already been amended and stands part of the Bill. Standing Order 30, as the House will remember, runs:

"A motion must not raise a question substantially identical with one on which the Council has given a decision in the same Session."

There are other small difficulties in applying our ordinary rules and the Standing Orders to section 67B; but I think I have said enough to show the Honourable Member that some special rules were necessary. Those portions of the rules which deal with dilatory motions are desirable, since Parliament clearly did not contemplate that it should be within the power of the Legislature to make a recommendation of the Governor General wholly ineffective.

I next take the Honourable Member's first question as to when it was decided to frame these rules. The answer to that part of his question is as follows:

This matter has been under the consideration of the Government of India for nearly two years. Various drafts of the rules have been prepared from time to time; and on the 8th November last the Government of India despatched certain amendments to the Secretary of State for his sanction. After further correspondence the Secretary of State's sanction was asked by a despatch of the 14th February 1924 to the rules substantially in the form in which they have now been made. Sanction to the rules as now published was received on the 8th March.

In view of the information given already to this part of the question, I think no further information is necessary as to the circumstances under which it was decided to frame and promulgate these rules.

(*b*) In part (*b*) of his question, the Honourable Member asks what different steps were taken by Government for the purpose of having the rules brought into force. This information has been partly supplied already under (*a*). The first despatch to the Secretary of State was dated the 8th of November 1923 and the second despatch was dated the 14th of February 1924. The procedure followed was the procedure required by section 129A of the Government of India Act, that is to say, the Secretary of State in Council was asked to sanction the rules. On receipt of that sanction the rules were published in the next Gazette.

(*c*) As already stated the first despatch to the Secretary of State on the subject was dated the 8th November 1923, but the question had been under the consideration of the Government of India since April 1922.

(*d*) The Honourable Member asks in part (*d*) of his question whether either House of the Indian Legislature was approached before these rules were made. The answer is in the negative. He next asks why neither House was consulted. The answer will be found in section 129A of the Act. Under that section the making of rules of this nature is a matter between the Secretary of State in Council and the Government of India It is further provided by that section that the rules when made shall not be subject to repeal or alteration by the Indian Legislature. As the Legislature cannot be a party either to the making or unmaking of the rules, there was no reason for consulting it.

(*e*) The Honourable Member asks in part (*e*) of his question when these rules were laid before Parliament and with what result. The answer is that the rules have not yet been so laid. A copy of the rules goes Home

by this mail and in accordance with the provisions of section 129A will be laid before Parliament as soon as may be after the delivery of the mail in London.

(*f*) The Honourable Member asks in part (*f*) whether it is intended to give effect to the rules before they are laid before Parliament, and if so, why. The answer is that the rules have been made with the sanction of the Secretary of State in Council and are now in operation because they have been so made. The Secretary of State has not made any direction of the kind contemplated in the proviso to sub-section (3) of section 129A, and consequently the rules are to be laid under the main provision of the sub-section as soon as may be *after* they are made.

(*g*) The Honourable Member asks in part (*g*) what effect the rules have on the legislative powers of—

(1) the Government of India,

(2) His Excellency the Viceroy and Governor General,

(3) the two Houses of the Legislature.

The answer is that the rules add nothing to, and take away nothing from, the legislative powers of any of the authorities named in the question. The rules are purely rules of procedure of the kind contemplated by section 67. Consequently part (*h*) of the question does not arise.

(*i*) The Honourable Member asks in part (*i*) what is the need and occasion of such rules if they operate neither to enlarge nor reduce the legislative powers of the authorities named by him in part (*g*) of his question. The answer to this question has already been given in reply to part (*a*) of the question, but at the risk of tiring the patience of the House, for which not I but the form in which the questions are framed is responsible, I will repeat that the rules are purely rules of procedure necessary to remedy defects in the existing rules of procedure which were framed, it appears, without reference to all the requirements of section 67B.

(*j*) In part (*j*) of his question the Honourable Member asks whether the Law Officers of the Crown have been consulted by the Government of India. The answer is that the Government of India have no access to the Law Officers of the Crown. The Secretary of State in Council has his legal advisers, and it is presumed that he did not sanction these rules without taking their advice. But the Government of India have no information on this point.

(*k*) In part (*k*) of his question, the Honourable Member asks whether the Government propose to consult the Law Officers of the Crown *before* putting the rules into force. I have already, I trust, made it clear to the Honourable Member that the rules are *now* in force, in virtue of the provisions of section 129A of the Act, the sanction of the Secretary of State in Council having been obtained to them. Therefore, even if Government had the right to consult the Law Officers of the Crown, it would not be possible to accede to the request of the Honourable Member, because, as already stated, the rules are already in force.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Does the Honourable the Leader of the House suggest that matters of substance such as are involved in the so-called rules are covered by the first three

lines of section 67 of the Government of India Act which regulate the course of business, that is to say, procedure strictly speaking and not matters of substance such as are involved in the present rules?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Unless my Honourable friend refers specifically to the matter of substance that he has in contemplation I am unable to reply to his question.

THE HONOURABLE SAIYID RAZA ALI: May I invite the attention of the Honourable the Law Member to rule 20A as it stands to-day, page 208 of the Gazette of India of the 15th March? In order to make the point quite clear, I will read out the rule. The rule as it has been newly incorporated says:

"If any Government Bill has been amended in the course of its consideration by either Chamber, the Member in charge of the Bill shall, if he so desires, have the right to defer proposing the motion that the Bill be passed until he has ascertained whether the Governor General exercises in respect of the Bill the powers conferred on him by section 67B of the Act and the President shall refuse to accept such a motion, unless it is moved by the Member in charge of the Bill."

Now, Sir, having regard to . . . .

THE HONOURABLE THE PRESIDENT: If the Honourable Member wants to ask a supplementary question, he must put his question but not argue it.

THE HONOURABLE SAIYID RAZA ALI: I was not trying to argue it. Having regard to the rule, is the Honourable the Law Member prepared to say that this rule does not come in conflict with the opening three lines of section 67. The Honourable the Law Member just pointed out that the rules in no way subtract from the powers of this Council or add to the powers. Is that the view that the Honourable the Law Member is prepared to take.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I see no conflict whatever between the opening lines of section 67 and this rule. All that section 67 in its opening passage says is this:

"Provision may be made by rules under this Act for regulating the course of business."

I suppose these are the words that the Honourable Member refers to, "for regulating the course of business."

THE HONOURABLE SAIYID RAZA ALI: And the preservation of order

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: The preservation of order has nothing to do with this. May I point out that section 67B is a special provision in the Act itself imposing certain limitations on the general powers and privileges of the Legislature. It is the section itself that imposes those limitations and not these rules which are merely rules of procedure intended to lay down what the procedure under section 67B is to be. I see no conflict whatever because the rule-making powers under section 67 read together with section 129A to which I have already referred make it perfectly competent for the Governor General in Council with the sanction of the Secretary of State to lay down rules of procedure which shall be applicable to the exercise of the power of recommendation and certification by the Governor General.

THE HONOURABLE SIR MANECKJI DADABHOY: In answer to clause (a) the Honourable Member said that the rules as originally framed were not elastic enough to include a special class of Bills. Will he please explain what special class of Bills he referred to?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Bills recommended by the Governor General under section 67B.

THE HONOURABLE MR. G. A. NATESAN: Will the Honourable the Law Member state whether it is a fact that the change in the rules is due to the fact that in April 1923 the validity of the Viceroy's action in certifying the salt tax was called in question?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: My Honourable friend forgets that I said April 1922 and not April 1923. April 1924 has not yet arrived.

BILLS ASSENTED TO BY HIS EXCELLENCY THE VICEROY.

THE SECRETARY OF THE COUNCIL: Sir, information has been received that His Excellency has been pleased to give his assent to the following Bills:

The Indian Cotton Cess (Amendment) Act, 1924.

The Cantonments Act, 1924.

The Immigration into India Act, 1924.

The Central Board of Revenue Act, 1924.

The Indian Penal Code (Amendment) Act, 1924.

INDIAN FINANCE BILL.

THE HONOURABLE SAIYID RAZA ALI: May I ask whether any information is available as to what happened to the Indian Finance Bill which was before the other House?

THE HONOURABLE THE PRESIDENT: I have no official information on the subject.

RESOLUTION *RE* DRAFT CONVENTION OF THE INTERNATIONAL LABOUR CONFERENCE CONCERNING THE USE OF WHITE LEAD IN PAINTING.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): Sir, I beg to move the following Resolution:

"That this Council recommends to the Governor General in Council that he should not ratify the Draft Convention concerning the use of white lead in painting adopted by the third session of the International Labour Conference held at Geneva in 1921."

Sir, after the dialectics to which we have been treated, I feel that I owe an explanation to the House for having to come forward with a rather dull, and uninteresting Resolution of this kind. Of course, as the House is aware, it is simply this, that it is the duty of any member of the International Labour Organisation to place before the competent authority,

which in this case is the Indian Legislature, the terms of any Draft Convention drawn up at a Conference of the International Labour Organisation within a certain specified period. That, Sir, is the only reason why it is my unpleasant duty to bring this not very interesting subject before this Council.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is this proposed to be brought up in the same way as a recommended Bill that the Honourable Member thinks it necessary apologetically to explain why he is obliged to undertake this unpleasant task?

THE HONOURABLE MR. A. H. LEY: If the Honourable Member does not wish to hear me on this point, I shall not make any more explanation. I shall come to the substance. I feel myself in a rather unenviable position in placing a Resolution before this Council, which seeks to put a definite negative on a proposal which has been recommended to us at a conference of the International Labour Organisation. India, as I think this Council is aware, has always shown herself ready and anxious to the utmost extent of her power to fall into line with proposals made by the International Labour Organisation, of which she is a member. She has already ratified 9 out of 16 Draft Conventions, drawn up at these Conferences. She has adopted numerous recommendations, and it is only with great reluctance, and for reasons which to the Government of India at any rate appear compelling reasons, that they have come to the conclusion that this particular Draft Convention, which is now the subject of discussion, should not be ratified. I can claim for India with confidence that she has done as much as, if not more than, any member of the League in this respect. While this is the case, however, she has also always kept steadily before herself one guiding principle in these matters, and that is simply this If she ratifies a convention she will see it is carried out. If she ratifies a Convention and as is generally the case that ratification means legislation, she is determined not only to introduce legislation but to establish the machinery which will see that that legislation shall be enforced. That, Sir, is the whole crux of the position here. I do not want to weary the Council with the terms of this Draft Convention. I think the terms have been circulated. I have asked them to be circulated for this particular reason, to avoid wearying the Council with this rather dull and uninteresting subject. But the object is of course quite clear. It is designed to minimise the dangers of lead poisoning, which experience has shown to be a prevalent disease among working painters in certain countries. I say in certain countries advisedly, and I will come to that point later. Recent researches on this question seem to show that this disease is generally caused by what is known as the dry rubbing down process. When you paint an inside of a building, except in the roughest forms of painting, there are always several coats of paint given, and between each coat of paint it is necessary, or it is the usual practice, to let it dry and then rub it down with sandpaper or some similar substance, in order to get the surface perfectly smooth before the next coat of paint is put on. It is during that process that there is a certain amount of exhalation of lead dust, when the paint, which is usually used, is white paint, which has a base of lead. And it is when that lead dust is inhaled by the worker that this disease of "plumbism" as I believe it is technically called, is generated. It is a peculiarly unpleasant and distressing disease, leading to blindness, to paralysis, and not infrequently

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to death. Well, the problem—how to deal with this was the problem before the International Labour Conference, held at Geneva in 1921. Now one would naturally suppose that the simplest way of tackling this problem would be to prohibit the use of white lead paints altogether. That would seem to be the simplest way of doing it. But the Conference—and I think everybody who has studied the question would agree that this was right—came to the conclusion that that was quite an impossible solution, and went a great deal further than the needs of the case required, for the simple reason that it has been definitely proved by experience that this particular kind of paint, which has a base of lead is the most suitable paint to use, more particularly for external painting work and the painting of buildings which are exposed to any particularly hard wear, such as railway stations or perhaps post offices. It would be a great burden on industry to prohibit altogether the use of white paint in these cases, and consequently the Conference came to the conclusion that the proper course to adopt was not to prohibit but to regulate. As you will see from studying the terms of the Convention, it is really a compromise in this respect. It allows the use of these paints on external buildings and prohibits them in internal buildings, except in certain circumstances, but there again there is a further compromise, in Article 4 of the Convention, because it allows it even in internal buildings in certain cases, namely, railway stations and in certain industrial undertakings where the competent authority so decides after consultation, I think the Convention says, with the Workers' or Employers' organisations. That was really put in—at least I understand that was so—because it was pointed out, when this Convention was under discussion, that there are certain industrial undertakings where also it is equally necessary from the point of view of the industry to use these particular kinds of paints; more particularly in cotton mills, I believe, mainly owing to the humidity in the atmosphere, which is artificial humidity required for the manufacturing processes.

Now, the question is, how we can carry out the regulations, which the Convention lays down, in this country. That is really the whole crux of the question. But, before I get on to that, I would just like to hark back for one moment to what I indicated at the beginning of my speech, namely, that this is a question which is not of any real importance in this country. I believe I am correct in stating that we have hardly any definite single instance of lead poisoning among the working painters in this country, arising from this cause. It is therefore a question of very small importance in this country, and the reason I think is pretty obvious, namely, that paint is not used to any large extent in ordinary building work in this country. It is probably for climatic reasons, I imagine, cooler to use white-wash, and that is, of course, the substance that is generally used. It is really only in temperate climates that this form of painting in interior buildings is important. When I say there have been no recorded cases, I do not mean to suggest that there have been no cases. It is possible that there have been cases in this country, but our machinery for reporting them is, as everybody knows, defective at the present time. But I do think that it is a fair assumption that, if this was a disease which is really prevalent in India, we should certainly have had evidences of several cases, which would have been brought to our notice before now. Nor do I

suggest that this is necessarily a reason for refusing to ratify this particular Convention. I only mean that it is an additional consideration, if there are other reasons, why it is impossible or undesirable to ratify this Convention; and that there are other reasons, I think is fairly obvious. It is really exceedingly difficult to see what machinery can be set up, which will ensure that this Convention, if ratified, is carried into effect. It might be possible, it certainly would be possible, to carry out these regulations in factories. It might incidentally necessitate an amendment of the Factories Act, but that is beside the point. But it would, I think, be possible to introduce these regulations in factories, where you have a factory inspection staff already in existence who would be able to see that these rather minute regulations are carried into effect. But, when you come to consider how you are going to enforce these regulations, not in factories but in small buildings all over the bazaar, anywhere where there is any painting work being done, that is where the difficulty comes in. It is, as far as we can see, almost impossible to do it. I imagine that, if this Convention were ratified, and if legislation were passed, it would probably be necessary, in the first place, to license all working painters: the use as well as the manufacture of these paints would be forbidden except under licence; and I suppose a working painter would have to notify to the local authorities when he was intending to undertake any painting work and the local authorities would have to have an inspecting staff, a special inspecting staff, for this purpose, not only to go and examine the work when it is being carried out after notification, but also to see that work is not being carried out without notification. In other words, you would obviously have to have a rather elaborate and expensive machinery designed to meet what, as I have already indicated, is an evil, if it is an evil at all in this country, of very limited extent. I think it is obvious that that would be a very difficult matter. And, when I say if is unworkable, I am not merely giving my own opinion. We have consulted all the Local Governments on this question. Nearly all of them—as everybody will be—are in sympathy with the object of the Convention, but the general feeling is that it is one which it is not possible to work in this country. I will just read an extract from one Local Government, which is fairly representative of the lot.

The Government of Bihar and Orissa say:

"The manufacture of paints based on white lead or sulphate of lead could be controlled and their use on public works or in industrial establishments regulated by legislation, but a general prohibition against their use inside buildings would not in practice be enforceable by any machinery at present existing. Such paints can legitimately be used for certain purposes and will be generally on sale in the bazars. Painting in this province is largely in the hands of small contractors and *mistris* over whom it will be impossible to exercise effective control. His Excellency in Council would, therefore, deprecate any legislation which will in practice be to a large extent inoperative."

The same opinion is expressed by several other Local Governments. The Bengal Government particularly—in a rather weighty opinion—quote a lengthy and well-considered opinion of the Bengal Chamber of Commerce, who say very much the same thing. They say:

"In these circumstances it is difficult to see how any prohibition of the use of paints containing white lead on the insides of buildings can possibly be made effective in India, where painting is largely in the hands of small and frequently very ignorant contractors and *mistris*. The Committee are inclined to think that it would be impossible to provide machinery to prevent such use."

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): What about regulating imports?

THE HONOURABLE MR. A. H. LEY: That is one way of doing it. It occurred to us, as Sir Maneckji Dadabhoy suggests, that it might be possible to regulate imports, but the difficulty there is that you cannot prohibit the import of these particular paints containing white lead altogether, because for certain purposes they are required, namely, for the exterior painting of buildings. They are necessary for that purpose.

THE HONOURABLE SIR MANECKJI DADABHOY: The issue of these paints can be regulated by licences.

THE HONOURABLE MR. A. H. LEY: That is just the difficulty. You have to have a very elaborate machinery for controlling the issue of these paints under licence, and I submit that that is quite unnecessary. An elaborate machinery would be necessary to see that the conditions of the licence are observed. That is the whole difficulty.

Before I close I should like to make two other points. If it were the case that the other members of the International Labour Organisation had ratified this Convention, it would obviously be very much more difficult for the Government of India to stand out. But that is not the case. This Convention, which was drafted in 1921, has, as far as our information goes, been ratified so far by only three States, Sweden, Esthonia and Czecho-Slovakia, and by no other State at all. Great Britain has refused to ratify the Convention. She has not yet ratified this Convention, possibly because she seems to think that these practical difficulties, which are obviously very much less in a country where trade is better organised than it is in India, are possibly insuperable. I do not say that is altogether her reason. There is one other reason, and that is the last point I wish to refer to. It is this. I believe it to be the case that other countries who have considered this problem have come to the conclusion that the Draft Convention of this particular Conference is by no means the last word on this subject of the use of white lead. This Convention, which, if I may say so, was rather hastily drawn up, bears all the impress of a compromise in itself. Very recent researches may suggest that the problem can best be attacked on slightly different lines. The British Government have, as a matter of fact, since then, appointed a Departmental Committee to re-examine the whole subject of the danger of lead paints to working painters, and they have just issued their report which has come to hand only a few days ago. It is a very interesting document—to anybody that is, who takes an interest in this particular trade. But it does suggest that there are other considerations and that it is possible, with further research, to attack this problem probably on rather different lines. I submit that it is obviously much wiser for India to wait and see what conclusions are arrived at by other countries, who, after all, are very much more interested in the question.

I have only one more word to say before I sit down; and that is, to explain what the Government of India have done. When they came to the conclusion that it was impossible for them to ratify this Convention because it was impossible for them to see that it could be enforced, they did agree, and have taken action, to give executive instructions to their own Departments in the Central Government, where there is any painting

work of this kind done to any considerable extent, that is to say, the Public Works Department, the Military Works and the Railway Departments, to follow those instructions as far as they possibly can in painting work that is being executed by them, and they have also asked Local Governments to do likewise in their Departments so far as they can, and also to draw the attention of local bodies and local companies, who do any extensive painting work, to the provisions of this Convention, and ask them to carry it out as far as they possibly can; that is to say, the Port Trusts, steamship companies and the like. They are also considering what action can be taken to follow the lines of this Convention as far as possible under the Factories Act, in factories and in industrial establishments which they can control. It is really only the fact that they cannot control the painting work done all over the bazaars by local *mistris* and contractors, that renders it impossible for them to contemplate ratifying this Convenion.

THE HONOURABLE MR. S. VEDAMURTI: (Burma: General): May I ask the Honourable Member one question? If it is a fact that the Legislatures of only two small States have ratified the Convention, why did the representatives of the other nations agree to the Convention?

THE HONOURABLE MR. A. H. LEY: The representatives of other nations discussed this question at Geneva when they met at the International Labour Conference. They did not bind the Governments of their States. They discuss the terms in which a Convention should be drawn up, and it is then laid before the members of the Organisation, to consider whether they will or will not ratify. That is the usual procedure that has been followed in numerous other cases. The representatives of the various members of the Organisation are there to discuss the subject, but they cannot bind their own Governments. I think I am correct in saying—I am not sure, but I think I am correct in saying—that the representatives of India at this particular Conference in Geneva in 1921 refused to vote on this subject, because they did not feel that they had sufficient information to place before their Governments to bind their Governments to follow the terms of the Convention.

THE HONOURABLE MR. S. VEDAMURTI: Do not these representatives carry with them the sanction of their respective Governments to vote on the questions coming before them binding their Governments?

THE HONOURABLE MR. A. H. LEY: No, Sir.

THE HONOURABLE SIR ARTHUR FROOM: (Bombay Chamber of Commerce): Is there not a period within which the Convention should be ratified? I think it is six months or at any rate not more than a year.

THE HONOURABLE MR. A. H. LEY: Yes, Sir. The Honourable Member has caught me at rather a weak point. The period is 18 months. This Convention was drafted in October, 1921. It is quite true that it was not placed before either of the Houses of the Legislature in sufficient time. That was because we were considering in communication with Local Governments what steps we can possibly take. I think the last reply of the Local Governments—the reply from the Government of Bengal—came in January or February 1923, and it was, strictly speaking, necessary to place the Convention in some form before some body of the Legislature by the end of March 1923.

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12 NOON. It was, as a matter of fact, impossible for the Government, who had not had time to come to their conclusions at that time to place a definite Resolution before either House, but they did consult the Standing Advisory Committee of the Department of Industries and Labour on the subject. The recommendation of that Committee was that they should go into the subject further, and that it was undesirable to come to any conclusion without further consideration.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Were the workers' organizations in any way consulted about this dead horse?

THE HONOURABLE MR. A. H. LEY: As far as possible by the Local Governments. They were requested to consult all workers' associations and employers' associations, and I understand that they did so.

THE HONOURABLE SIR ARTHUR FROOM: If any signatory does not ratify the Convention within the specified period, *ipso facto* I presume that country does not agree with the Draft Convention although . . .

THE HONOURABLE THE PRESIDENT: I do not want to interrupt the Honourable Member, but I may point out that it is not consistent with ordinary debate to embark on cross-examination by question and answer. I suggest that Honourable Members will formulate their points in such a manner that the Honourable Member in charge of the Resolution may deal with them in his reply.

THE HONOURABLE MR. A. H. LEY: I do not wish to make any further remarks. I think the subject has been discussed sufficiently already.

THE HONOURABLE THE PRESIDENT: The question is:

"That the following Resolution be adopted:

'That this Council recommends to the Governor General in Council that he should not ratify the Draft Convention concerning the use of white lead in painting adopted by the third session of the International Labour Conference held at Geneva in 1921'."

The motion was adopted.

INDIAN FINANCE BILL.

THE HONOURABLE THE PRESIDENT: I would ask the Leader of the House if he has any statement as to future business to make, and in doing so, I would ask him to satisfy the curiosity which was expressed in a question to me and tell us what has happened to the Finance Bill.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: The motion to take the Finance Bill into consideration was rejected by the other House yesterday. I understand that a new Finance Bill with certain modifications in one or two respects has been introduced or will be introduced in the other House to-day with a recommendation from the Governor General under section 67B. In all probability, it will be laid on the table of this House either to-morrow or the day after. I cannot make any further statement on that; I am not in a position to make any further statement. Copies of the Bill have already been placed before Honourable Members in this House this morning. (*The Honourable Dr. Sir Deva Prasad Sarvadhikary*: "In anticipation.") The statement which I had

originally intended to make was this. As at present arranged, there will be a meeting of this House on Thursday, the 20th, but the business to be transacted on that day must depend on the progress made in another place with the Finance Bill.

THE HONOURABLE SIR MANECKJI DADABHOY: May I inquire when the Finance Bill is likely to be discussed in this House?

THE HONOURABLE THE PRESIDENT: I may point out in the first place that the mere fact that a copy of the Bill has been placed on Honourable Members' desks does not in any sense amount to laying of the Bill on the table of the House. Copies of the Bill have been placed in Honourable Members' seats merely as a matter of courtesy and for the convenience of Honourable Members by the officers of the Chamber. Till the Bill is laid on the table of this House, it is obviously impossible to say on what date the discussion will take place, but I am quite sure that the Honourable the Leader of the House will give information as early as possible.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Undoubtedly.

The Council then adjourned till Eleven of the Clock on Wednesday, the 19th March 1924.

COUNCIL OF STATE.

Wednesday, the 19th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

Grievances of Third Class Passengers.

151. The Honourable Raja MOTI CHAND: Has the attention of the Government been drawn to the Report of the Indian Passengers and Traffic Relief Association, with headquarters at Bombay, wherein a list of grievances of third class passengers is given?

The Honourable Mr. D. T. CHADWICK: The reply is in the affirmative.

Use of Cattle Trucks for Passengers and Pilgrims.

152. The Honourable Raja MOTI CHAND: (*a*) Is it a fact that cattle trucks are used for passengers and pilgrims?

(*b*) If so, what steps, if any, do the Government propose to take to prevent such use of cattle trucks?

The Honourable Mr. D. T. CHADWICK: (*a*) Goods vehicles are not ordinarily utilised for the conveyance of passengers, but on the occasions of big *melas* railways sometimes find it necessary to supplement their coaching stock with goods vehicles.

(*b*) Early in 1922, instructions were issued to Railway Administrations that steps should be taken as far as practicable to put a stop to the practice of conveying passengers in goods vehicles.

Overcrowding of Railway Carriages.

153. The Honourable Raja MOTI CHAND: Is it a fact that Railways allow over-crowding to the extent of double and treble of the carrying capacity of carriages?

The Honourable Mr. D. T. CHADWICK: The Honourable Member is referred to the answer given to *Question No. 145 asked by him in this Council on the 27th March 1922. Between 1921 and the 31st March 1923 an addition of nearly five million train miles was made to the passenger and mixed train mileage, and Government are not aware that overcrowding takes place to the extent suggested.

* *Vide* p. 1260 of Council of State Debates, Vol. II.

USE OF ALARM CHAINS IN RAILWAY CARRIAGES.

154. THE HONOURABLE RAJA MOTI CHAND: Do the Railways disallow under a penalty the use of alarm chains in case of intolerable overcrowding or when companion passengers are left behind?

THE HONOURABLE MR. D. T. CHADWICK: The Railway Act provides for the levy of a fine in the case of any passenger who without reasonable or sufficient cause makes use of the means provided by a railway administration for communication between passengers and the railway servants in charge of a train.

DIRTY THIRD CLASS RAILWAY CARRIAGES.

155. THE HONOURABLE RAJA MOTI CHAND: Is it a fact that third class carriages and their attached water-closets are not as regularly and as carefully cleaned as carriages of other classes?

THE HONOURABLE MR. D. T. CHADWICK: The reply is in the negative.

INADEQUATE WATER SUPPLY AT RAILWAY STATIONS.

156. THE HONOURABLE RAJA MOTI CHAND: Is it a fact that arrangements for water supply at most stations are still inadequate and at some stations none at all?

THE HONOURABLE MR. D. T. CHADWICK: The necessity for the provision of an ample supply of drinking water for passengers is fully realised by railways and Government are not aware that the arrangements are inadequate.

WAITING ACCOMMODATION FOR THIRD CLASS PASSENGERS.

157. THE HONOURABLE RAJA MOTI CHAND: Is it a fact that sheds and waiting rooms for third class passengers at most stations are insufficient so that passengers are generally exposed to sun and rain? If so, do the Government propose to take any steps to provide more sheds and waiting rooms?

THE HONOURABLE MR. D. T. CHADWICK: The provision of adequate waiting accommodation for third class passengers is a matter which is receiving close attention from Government and the Railway Administrations and where additional accommodation is required it is being provided as rapidly as funds permit.

BEGGARS ON RAILWAY PLATFORMS.

158. THE HONOURABLE RAJA MOTI CHAND: Is it a fact that at many stations beggars are suffered to infest the platforms?

THE HONOURABLE MR. D. T. CHADWICK: Government have no information. If the Honourable Member is aware of any specific cases I would suggest that he should bring them to the notice of the Administration of the railway or railways concerned.

"SECRET DOINGS ON INDIAN RAILWAYS".

159. THE HONOURABLE RAJA MOTI CHAND: Has the attention of the Government been drawn to a reprint of "Secret Doings on Indian

Railways", published at 7, Drummond Road, Agra, and printed by the Wilkins Press, 20, St. James's Lane, Calcutta?

THE HONOURABLE MR. D. T. CHADWICK: The reply is in the affirmative.

"COPYRIGHT LIBRARY" IN INDIA.

160. THE HONOURABLE RAJA MOTI CHAND: Has the attention of the Government been drawn to a note headed " A Barefaced Robbery," appearing in the *Modern Review* for January, 1923? Is it a fact that there is no " copyright library " in India?

THE HONOURABLE SIR NARASIMHA SARMA: The attention of the Government has been drawn to the article in question. There is no "Copyright Library" in India.

EXPENDITURE ON THE GOVERNMENT PRINTING DEPARTMENT.

161. THE HONOURABLE RAJA MOTI CHAND: (*a*) Has the attention of the Government been drawn to an observation of Mr. F. D. Ascoli, I.C.S., who was placed on special duty for the purpose of inquiring into the expenditure of the Government Printing Department that " the whole of the printing system is uncontrolled and wasteful "?

(*b*) Do the Government agree with this observation of Mr. Ascoli?

(*c*) If so, what steps, if any, have they taken or do they propose to take to ensure economy?

THE HONOURABLE MR. A. H. LEY: (*a*) Yes.

(*b*) Government agree that the old system had become in many respects wasteful; but it was difficult to effect any far-reaching changes during the war or immediately afterwards. Steps were taken as soon as practicable to overhaul the system.

(*c*) The principal steps already taken or in progress include—

(i) the reorganisation of the Simla, Delhi and Calcutta presses;

(ii) the establishment of a Printing Clearing Office at the headquarters of the Government to regulate the flow of work, and to prevent unnecessary printing;

(iii) the revision of the printing rules involving a reduction in the number of offices permitted to indent on the press, and close control over printing by Central Officers at Local Government presses;

(iv) the abolition of the Foreign and Political Department press and the Rajputana press, and the amalgamation of the Mysore Residency press and the Coorg press;

(v) the standardisation of forms;

(vi) the establishment of a Forms Store to control the distribution of forms, and

(vii) the installation of efficient modern machinery in the presses.

GOVERNMENT PRINTING.

162. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to state their policy for maintaining State printing works in preference to giving out their work to private printers?

THE HONOURABLE MR. A. H. LEY: It would be difficult to state the grounds on which the policy of Government is based in this matter within the limits of a reply to a question. But the Honourable Member will find the policy of Government and the reasons therefor outlined in paragraph 5 on page 255 of the Report of the Indian Retrenchment Committee.

INDIANS IN THE GEOLOGICAL SURVEY.

163. THE HONOURABLE RAJA MOTI CHAND: (*a*) Are the Government aware of the observation of the Incheape Committee that " considerable difficulty has been experienced in obtaining suitable Indian candidates for vacancies in the Geological Survey of India "?

(*b*) Will the Government be pleased to state the circumstances under which Indian recruits for the Department are not available?

THE HONOURABLE MR. A. H. LEY: (*a*) Yes.

(*b*) Indian candidates do not in most cases possess the essential technical qualifications and practical training owing to the absence of a high class institution for teaching geology, a want which the Government of India are trying their best to supply.

PRODUCTION OF QUININE IN INDIA.

164. THE HONOURABLE RAJA MOTI CHAND: (*a*) Has it been the intention of the Government to supply not merely India but the whole Empire with quinine?

(*b*) Will the Government be pleased to state how they have stood financially during the last three years in respect of such transaction in quinine?

(*c*) For the purposes of such supply of quinine, do the Government produce all the quinine or do they also purchase quinine under contracts with foreign producers?

(*d*) For Government purposes in India alone, what quantity of quinine is required per annum? What proportion of this quantity is produced by Government and how much of it is obtained from private importation?

THE HONOURABLE SIR NARASIMHA SARMA: (*a*) The original intention was that India should be in a position to supply not merely her own requirements but the greater part of the needs of the rest of the Empire as well. This policy has since been modified under the pressure of financial stringency. It is now the intention not to aim at a greater production than is necessary for Indian purposes.

(*b*) The plantations in Madras and Bengal belong to the Local Governments, and the profit and loss on them are accounted for in the provincial accounts. The Imperial plantations in Burma were started in 1922 and the

products of these plantations will not be available before 1930. The following figures show the financial result of the sale of quinine purchased from Java since 1919-20:

Year.	Quantity sold.	Cost to Government.	Sale proceeds.	Profit.	Remarks.
	Lbs.	Rs.	Rs.	Rs.	
1919-20 . . } 1920-21 . . }	29,750	5,95,000	10,07,300*	4,12,300	*Recovered in 1921-22.
1921-22 . .	...	...	...	...	No sales.
1922-23 . .	8,216	1,64,320	2,80,565	1,16,245	

(c) The quinine produced in India has not been sufficient hitherto, and has been supplemented by purchases from foreign produces in Java. Government are extending their plantations so as to make India in due course self-supporting.

(d) During the four years ending 1922-23 the annual consumption of quinine for Government purposes averaged 68,000 lbs. of which it is calculated that about 45,000 lbs. was produced from bark grown in India. The balance has been met from quinine manufactured from imported bark by the Government Cinchona Departments in Bengal and Madras and from already manufactured quinine imported from Java. The importation of manufactured quinine has ceased from the end of 1923 with the termination of the contract under which it was purchased.

Progressive Reduction of the Cadre of Military Officers in the Survey of India.

165. The Honourable Raja MOTI CHAND: Have the Government taken into consideration the recommendation of the Inchcape Committee that the cadre of military officers in the Survey of India be progressively reduced and vacancies filled by less expensive civil agency? If so, with what result?

The Honourable Sir NARASIMHA SARMA: The Government of India have the matter under consideration but no final decision is likely to be reached until the report of the Royal Commission on the superior services in India has been considered.

Abolition of the Board of Scientific Advice and Hydro-electric Surveys.

166. The Honourable Raja MOTI CHAND: Will the Government be pleased to state if they have abolished the Board of Scientific Advice and Hydro-electric surveys, as they informed the Inchcape Committee that they would do so?

The Honourable Sir NARASIMHA SARMA: It has been decided to hold in abeyance the Board of Scientific Advice with effect from the next financial year. No provision has accordingly been made in the Budget estimates for 1924-25.

The Hydro-electric Surveys were closed down, in so far as the Central Government was concerned, with effect from the 1st August 1922.

SCHOOL OF MINING AND GEOLOGY AT DHANBAD.

167. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to state if they have before them any scheme of a school of Mines and Geology for training qualified mining engineers and managers? If so, how far has the scheme matured and how soon may such an institution be expected to come into existence?

THE HONOURABLE MR. A. H. LEY: The Government of India announced their decision in September 1920 to establish a School of Mining and Geology at Dhanbad as a Central institution. Since that time detailed proposals regarding the buildings, equipment, staff, curriculum, etc., of the school have been drawn up; plans and estimates of the buildings have been prepared and administratively approved by the Government of India. A beginning was made last year with the collection of bricks for the building, but further progress on the work had to be postponed on account of the financial position. A provision of Rs. 2,50,000 for the building of the school has been included in the Budget for 1924-25.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it not a fact, Sir, that bricks of another kind in the shape of Professors have also been provided and are not being used as they ought to be?

THE HONOURABLE MR. A. H. LEY: I do not think so. I have no information to that effect.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Has not any member of the staff been appointed in advance?

THE HONOURABLE MR. A. H. LEY: No. As far as I recollect, all that happened was that the Principal of the school was appointed. He was borrowed for the time being from the mining establishment—I think I am right in saying that—to draw up the curriculum of the school,—Mr. Penman, who was for a short time Principal of the School of Mines and Geology. If I recollect rightly, he was also at the same time Inspector of Mines, and he is now an Inspector of Mines.

LOSS OF RENT FOR QUARTERS OCCUPIED BY MEMBERS OF THE INDIAN LEGISLATURE.

168. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) Is it a fact that Members of the Legislature, who at their request were provided with accommodation at Delhi, at Raisina or at Simla, have in some cases failed to pay in whole or in part the rents of premises so reserved?

(*b*) If the reply to (*a*) is in the affirmative, will Government be pleased to give particulars of the loss of such rent during each of the Delhi and Simla sessions for the three years ending 31st December, 1923, giving in each case the number of persons from whom such rent is still due?

(*c*) Do Government propose to take any action to recover such arrears and, if so, what?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: (*a*) In spite of repeated requests for payment it is regretted that a few Members have not yet paid the rent for accommodation occupied by them at Delhi and Simla.

(*b*) The number of persons who have not yet paid rent due from them for quarters occupied or reserved by them during the Simla sessions 1921, 1922 and 1923 is six. The amount at present outstanding is Rs. 1,408-11-11. A promise to pay has been received in respect of Rs. 1,009-13-4. There are no outstandings from Members for the Delhi sessions 1921 and 1922. One person has not yet paid the rent due from him for quarters occupied or reserved by him during the Delhi session 1923. The amount outstanding is Rs. 204-15-0.

(*c*) In the case of those who are still Members of the Indian Legislature some of the amounts outstanding have been recovered and further amounts will be recovered by deduction from the allowances accruing to them for their attendance at the sessions of the Legislature, and in the case of those who are no longer Members of the Indian Legislature further demands will be made and a copy of the question and of the reply thereto will be forwarded to them.

THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI: Is the Honourable Member able to say whether the Members in question are official or non-official Members of the Legislature?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I am not able to give that information.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Have there been cases in which the payment of rent has not been made because the quarters had not been occupied, but merely reserved?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I am afraid I am not able to answer that question without notice.

THE HONOURABLE MR. H. G. STOKES: Is it not the case that, if the members in question were officials, the rent would have been recovered from their pay bills?

THE HONOURABLE SIR MANECKJI DADABHOY: Is there any Member of the Council of State among the defaulters?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I shall have to look into the papers in order to be able to answer the questions.

MESSAGES FROM H. E. THE GOVERNOR GENERAL.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I have a Message from His Excellency the Governor General.

(The Message was handed to the Honourable the President.)

THE HONOURABLE THE PRESIDENT: This Message relates to the Finance Bill. It runs as follows:

" Whereas the Legislative Assembly has refused leave to introduce a Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, a copy of which Bill is hereto annexed;

[The Honourable the President.]

Now therefore, I, Rufus Daniel, Earl of Reading, in exercise of the powers conferred by sub-section (1) of section 67B of the Government of India Act, do hereby certify that the said Bill is essential for the interests of British India.

READING,
Viceroy and Governor General.

The 19th March, 1924."

Further Message:

"In pursuance of the provisions of sub-section (1) of section 67B of the Government of India Act, I, Rufus Daniel, Earl of Reading, do recommend to the Council of State that it do pass the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax in the form hereto annexed.

READING,
Viceroy and Governor General.

The 19th March, 1924."

The Messages received from the Governor General are endorsed on the Bill.

INDIAN FINANCE BILL LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in pursuance of the provisions of section 67-B of the Government of India Act, I lay on the table a copy of the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, leave to introduce which was refused by the Legislative Assembly at its meeting of the 18th March, 1924, the said Bill having been certified, under the provisions of the same section, by the Governor General as essential for the interests of British India.

INDIAN FINANCE BILL.

THE HONOURABLE SAIYID RAZA 'ALI (United Provinces East: Muhammadan): May I inquire when the Finance Bill is likely to be taken into consideration by this House?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: The Honourable the Finance Secretary will give the information.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): I would suggest, if it is convenient to the House, that the date for consideration of the Finance Bill might be fixed for Monday next.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Monday will be all right.

THE HONOURABLE THE PRESIDENT: If it is the wish of the House and if Honourable Members have no objection, let it be on Monday.

THE HONOURABLE SAIYID RAZA 'ALI: I think, Sir, that no time limit need be fixed in the case of this measure. As a matter of fact, no time

limit is necessary; under the rules it can be fixed, but it is not necessary. Having regard to our experience of the Budget Debate, I think it is necessary that I should make this suggestion.

THE HONOURABLE THE PRESIDENT: The Honourable Member is in some difficulty. Under the rules I had the power to fix a time limit for discussion on the Budget debate, but I did not do so. Under the rules I have no right to fix a time limit for the discussion of Bills, and therefore the question of time limit does not arise in regard to Bills.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Can we not take it on Saturday, Sir?

THE HONOURABLE THE PRESIDENT: I am entirely in the hands of the House. I may, however, inform the House that our Muhammadan friends have a festival on that day. (*Some Honourable Members*: "On Friday.") In my calendar it appears on Saturday. However, I understood Monday was convenient to the Department concerned and, as it is the wish of the House also that the consideration of the Bill should be taken up on Monday, unless there is any objection, I should fix Monday. As I have already said, I am in the hands of the House.

THE HONOURABLE KHAN BAHADUR NAWAB SIR MOHAMED MUZAMMIL-ULLAH KHAN (United Provinces: Nominated Non-official): Gentlemen who go for the *Holi* festival cannot be back in time for Saturday. Therefore, Monday will be better.

THE HONOURABLE THE PRESIDENT: I think, in view of the statement by a Muhammadan gentleman of the standing of my Honourable friend, the House will be well advised to avoid any possibility of dispute on that ground. Then, the consideration of the Finance Bill will be on Monday next.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: It will give us more time to consider.

THE HONOURABLE THE PRESIDENT: I do not think the House wants any advice on the question of procedure, as it had a recommended Bill on a previous occasion. If Honourable Members will turn up the proceedings on that occasion, I think they will find the information they want. I do not think there will be any difficulty in regard to the procedure once the Bill is in our charge.

RESOLUTION *RE* RESTRICTIONS AND DISABILITIES ON INDIANS IN SOUTH AFRICA.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, before proceeding to move the Resolution that stands in my name, I should like to convey my grateful thanks to the Honourable Member in charge of the subject for waiving the rules of procedure and giving me all the facilities necessary for doing so. The terms of the Resolution that stands in my name are as follows:

"This Council recommends to the Governor General in Council to take effective steps to prevent the repeated attempts of the Union Government of South Africa to impose restrictions and disabilities on the Indian community similar to those embodied in the Class Areas Bill, as the proposed measure constitutes a violation of the Smuts-Gandhi agreement of 1911, and would damage Indian interests irretrievably besides endangering the solidarity of the Empire."

[Mr. G. A. Natesan.]

Sir, for a proper understanding of this question, it is necessary that I should set forth briefly—and I will do it very briefly indeed—the origin of the presence of as many as 161,000 of our countrymen in South Africa at the present time. It is due to the fact that the Government of India encouraged indentured emigration from the year 1860 to 1911. The story of the treatment of these Indians who went there from time to time—and a good number of them are still there as domiciled Indians—is a story of wrong, indignity and suffering at the hands first of the Boer Government and then of the Government as it is constituted now, the Government of General Smuts. All kinds of allegations were from time to time made against them. At one time it was the complaint that there was an influx of Indians, at another time, it was the complaint that they were taking away the trade of the Whites there. It has been proved—and proved beyond doubt, and I have the authority of British statesmen and representatives on our side to state—that these allegations are baseless. All these years Indians in South Africa have been subjected to a number of humiliating restrictions and most of them have been designed to put a stop to their developing themselves particularly as traders, hawkers and other business men. So long as they were labourers they were welcome. But the moment they freed themselves from indenture and tried to elevate themselves as independent men, the trouble arose. It owes its origin to the attempt of the South African Government which introduced what is called the Asiatic Law Amendment Act, a measure which our countrymen very justly regarded as humiliating and which Lord Morley described as certainly branding them with the bar sinister of inferiority. For a few years from 1906 this trouble was of the fiercest character. As many as 3,500 of our countrymen were imprisoned and included men, women and even young boys. Among those who were imprisoned was a Jew by the name of Mr. Polak and a German by the name of Mr. Kallenbach. These gentlemen boldly and publicly espoused the cause of the Indians. Over 150 people were deported from South Africa. They were tossed from port to port and eventually were dumped and stranded in Madras. I had the privilege of attending to the wants of these unfortunate men and had the misfortune for a period of three months continuously, day and night, to listen to their tale of wrongs and indignities. In that great struggle, which was headed by Mr. Gandhi and supported by brave comrades, these people had also the misfortune of losing property worth nearly one crore of rupees. Matters were brought to a climax when a number of people were flogged and fired at. It was just at that time that the conscience of not only the British Cabinet but of the whole civilised world was aroused and Lord Hardinge, whose name will ever be remembered with gratitude by the people of this country, made a public pronouncement in Madras on this subject in 1913, to which I had the privilege of listening. He then declared that he shared the indignation of the people of India at the treatment meted out to Indians in Natal. This pronouncement so just, so honourable and so fitting, from the head of the great Empire of India was resented by many British statesmen and Lord Gladstone, who was then the Governor General of South Africa, expressed himself at that time as shocked at such an unconstitutional utterance. I will not take this House to the further history of this very gruesome story. I will only say that this trouble was by wise statesmanship and a spirit of compromise brought to a close by what is called the Smuts-Gandhi agreement. Mr. Gandhi then agreed not to press for the right of unrestricted immigration. He was willing to have an agree-

ment based upon what is called restricted immigration. To quote Mr. Gandhi's own words:

"The essence of this arrangement was that an assurance should be given that existing laws especially affecting Indians will be administered justly and with due regard to vested interests."

On behalf of the South African Union Government Mr. Gorges, the Minister of the Interior, gave the following assurance:

"With regard to the administration of existing laws, the Minister desires me to say that it always has been and will continue to be the desire of the Government to see that they are administered in a just manner and with due regard to vested rights."

Sir, this was a solemn agreement and everybody expected that it would be faithfully adhered to. Our distinguished countryman, the late Mr. Gokhale, who had been in South Africa, has borne testimony to the correctness of the terms of this agreement. Mr. C. F. Andrews, a noble Englishman, who has been for years pleading the cause of our countrymen overseas, was also aware of the terms of this compromise, and it will be very interesting to note now what Mr. Gandhi says in his communication, dated February, 14th. This is what he says:

"In accordance with that compromise no further anti-Asiatic legislation was to be passed by the Union Government. The understanding at the time was that the legal position of Indians would be gradually improved and that the then existing anti-Asiatic legislation would, in time to come, be repealed. The contrary has, however, happened."

It may perhaps interest the House to know that, speaking at the Imperial Conference in 1917, General Smuts himself referring to this agreement said:

"Once the White community of South Africa were rid of the fear that they were going to be flooded by unlimited immigration from India, a fear removed once for all by India's acceptance of the Reciprocity Resolution of 1917, all other questions would be considered subsidiary and would become easily and perfectly soluble."

Later, speaking at the same Conference, Mr. Burton on behalf of South Africa bore the following public testimony to the character and conduct of our countrymen in South Africa. He said:

"So far as we are concerned it is only fair to say, and it is the truth, that we have found Indians in our midst in South Africa who form, in some parts, a very substantial portion of the population, good, law-abiding and quiet citizens and it is our duty to see that they are treated as human beings, with feelings like our own and in a proper manner."

What is the situation now? And what is the game that General Smuts is playing at the present moment? He has given the go-by to this solemn agreement and to the assurances and pledges that he himself gave and he now threatens to inflict further wrongs and sufferings on my community in South Africa by a measure which is known as the Class Areas Bill Sir, the term "Class Areas Bill" is a misnomer. In reality and in fact it is nothing but a segregation Bill, a Bill meanly and mischievously designed to hamper and restrict the honourable and useful lives which Indians there at the present day are leading as traders and as merchants and in various other occupations. The Bill, as it was originally drafted and published in the newspapers for sounding public opinion, was designed to apply to all the people there. But, as a matter of fact, its design is far deeper I do not think I shall be justified in wearying the House by reading it clause by clause, although I have the full text of the Bill before me.

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will only refer to the main principle in order to illustrate what I am driving at and to show that it has been designed to bring about the ruin of Indians.

"It provides for such a large and serious restriction of the rights hitherto enjoyed by Indians as gravely to affect the whole prospect of their future welfare. It gives any Municipal Council, Village Council, Local Board, Health Board or similar body the right to intimate to the Union Government its desire to have a certain area within its jurisdiction proclaimed a class area. The Governor General may proclaim the area to be 'a class residential area, or a class trading area or a class residential and trading area . . . . '. It will therefore not be lawful for anybody not belonging to the class concerned 'to acquire immovable property or a lease or renewal of lease of immovable property within that area.' If, then, an existing Indian bazaar in a town or village is proclaimed an Indian area, Indians will have no right to buy or renew a lease of property anywhere else in the place. If, on the other hand, an area—possibly a whole town—is proclaimed one for British or Dutch South Africans only, then Indians will have no property rights in it. The Bill similarly restricts the right to obtain trading licenses, though it provides that the Governor General may relax these conditions regarding them in favour of particular persons or trades."

Commenting upon this monstrous measure the *Times of India*, a leading Anglo-Indian daily, has observed:

"The more one studies the clauses of this Bill the worse do its implications appear. On the surface it provides for no compulsion in regard to segregation, except in compelling people to continue in a locality where they have already settled if it is proclaimed. In essence it introduces compulsion of a most repellent character and leaves only to the passage of time its application in the fullest degree. The South African Municipalities are notoriously not to be trusted. The municipal segregation areas for Indians in the Transvaal were lately shown by the Asiatic Inquiry Commission to be a disgrace to civilization and an important section of opinion in South Africa openly aims at making segregation a means to break down the endurance of the Indians and compel them to flee the country. There is in the history of the Indian question in South Africa nothing to justify belief that the provisions in the Bill for protection against the Municipalities by references to a Governmental Commission and to Government itself are adequate safeguards."

It may be said that this measure, despicable as it is, is intended for all, but as a matter of fact I find from a telegram from South Africa published in the *Times of India*, dated the 17th, that as originally framed, Jews, Greeks and others were included. But what is the information that we have now? The Jews have been excluded from the operation of the Bill; the Greeks have been excluded from the operation of the Bill; the Cape Malays have been excluded from the operation of the Bill: so that, by a process of exhaustion the Bill can now apply only to Asiatics, and that is in Natal and Natal only. I find too in the same cablegram a statement that the Chinese Consul General has now run up to Johannesburg to protest against this measure on behalf of his countrymen, and Indians alone living in that God-forsaken country are now to be the victims of this measure. The principles of this Bill can well be explained by a statement which Mr. Gandhi has thought fit to issue from his sick bed in the Sassoon Hospital, Poona, in which he says:

"Unlike the Natal Municipal Franchise Bill, which happily the Union Governor-General has in effect vetoed and which applied only to Natal, the Class Areas Bill is designed to apply to all the poor provinces. It enables the Government to segregate all the domiciled Indians and other Asiatics alike for residence and trade. It is therefore an extension in a modified manner of the location system devised as early as 1885 by the late Transvaal Government. Let me say in a few words what the segregation law means. The Indian location in Pretoria, where, in spite of the law of 1885, not a single Indian has been as yet compelled to remove, is situated far away from the town itself and entirely outside the beat of the buyer, whether English, Dutch or native. The only trade possible in such locations is trade among themselves.

Segregation, therefore, carried out to the full, means nothing less than compulsory repatriation without any compensation. It is true that the Bill appears to preserve to a certain extent the existing rights. But that reservation is of little consequence to the Indian settlers. I do not wish to burden this note by citing illustrations from South African experience to show how such reservations have, in practice, proved almost useless.

Finally, let it be remembered that when Indian emigration to South Africa was unrestricted the fear of the European was expressed to be that South Africa might be swamped by India's millions. All the South African statesmen then used to say that South Africa could easily digest a small Indian population and could even give it a liberal treatment but that the European settlers could never rest content so long as the possibility of swamping remained. Now that the so-called fear of swamping has been removed, practically since 1897, the cry is raised for segregation and if that is accomplished, the next step will be compulsory repatriation, if the segregated Indians do not voluntarily retire. The fact is that the more accommodating the European settlers of South Africa find the Imperial trustees to be, the more grasping they become in their anti-Asiatic demands."

Sir, the object of this proposed legislation is, as I have said, to injure the interests of Indians there and if possible to drive them out of South Africa. The testimony of a distinguished South African, the late Mr. Maurice Evans, will be quite germane to the point. He said:

"Some of the legislation passed to this end was advanced by specious argument, and it would be difficult to defend it on the score of justice, and the violation of conscience engendered by this course of action has been felt by many in the colony, though any defence of these men was exceedingly unpopular.

* * * * * * *

It has been a case of taking the lower road, the line of least resistance which, though apparently at first clear and open, leads invariably into jungle and morass. The gods will not be deceived."

Sir Benjamin Robertson, who was sent out to South Africa in connection with the Asiatic Inquiry Commission, has very justly pointed out that—

"Compulsory segregation in the eyes of many of its supporters is merely a means to an end. The ultimate aim is to force the Indians, and more especially the better class Indians, to leave the country."

That the object of this legislation is really to drive the Indians out of the country is made still more clear by the pronouncement of a gentleman who says he belongs to a church, and I hope by this time he has been turned out of his church. This is what he says:

"I am representing our Church (the Dutch Reformed Church) in the League, and I helped to draw up that petition. What I think is, and what I tried to bring out in the Committee, is, that our main object is to get the Indians out of this country; that, I think, must be our ultimate object. Therefore I say that as a means to that end I support segregation, but only as a means to that end."

As I said, compulsory segregation as interpreted by such witnesses differs only from compulsory repatriation in that it avoids the expense of expropriation and repatriation. I think I have said enough to show that this new legislation is a distinct violation of the Smuts-Gandhi agreement and that it is designed to bring about the ruin of a number of Indians who are settled there.

In conclusion, I would only ask the House to remember that those Indians are voteless and voiceless and therefore powerless and that they are Indian subjects of His Majesty who are ill-used. I would go further and say that some of them were induced from time to time by greedy agents of the South African Government to come over to Natal. They have been worked and sweated and now the attempt is being made to throw them away like sucked oranges. And who are these Indians that are being treated in this manner? They are a section of the most loyal

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of His Majesty's Indian subjects. I am not speaking now of the great services which my countrymen here and in South Africa rendered in the last great war. But I must ask the House to remember, and I trust the authorities will remember, that at a time when Boer and Briton were in conflict, when the Boers were chopping off the heads of the British, when Ladysmith was in danger, when Lieutenant Roberts gave his life in striving to recover the guns lost at Colenso, 1,200 of my countrymen undertook voluntarily, nobly and patriotically the menial work of stretcher bearers under the captaincy of Mr. Gandhi, having been refused the privilege of fighting under the flag as combatants. And what then has been the reward? General Smuts has lately been talking in the Imperial Conference of the lower kind of citizenship which Indians have in this country, and he makes that a ground for saying that Indians there cannot claim anything better than what they have here. Sir, in a contest between two parties one is bound to win and the other is bound to lose. But in this contest I think a great responsibility rests on the Government of India and on the British Cabinet to fight a battle on behalf of those countrymen of ours with unusual vigour and vigilance. For it must be remembered that this Government is not a national Government. The acceptance of this Resolution will not quite satisfy me. I want further that the present head of the Government of India, His Excellency Lord Reading, must put himself in the position of an Indian in this country, must feel and act as if the Government of India was a national Government, a Government of the people, for the people and by the people, and place himself at the head of the great national protest and be the mouthpiece of the Indian nation whose cry goes forth from one end of the country to the other. I want His Excellency Lord Reading publicly to identify himself with this agitation of ours and share our indignation and give expression to it.

THE HONOURABLE THE PRESIDENT: I do not wish to interrupt the Honourable Member, but his Resolution is a recommendation to the Governor General in Council.

THE HONOURABLE MR. G. A. NATESAN: I will simply finish my sentence. I would therefore, Sir, say that he should act in the manner in which his predecessor Lord Hardinge did in 1913. For not only are the interests of Indians in South Africa at stake, but the honour of India is in the hands of the Governor General in Council, and therefore Indian interests would be damaged irretrievably if a brave and gallant fight be not put up on our behalf. The issue at stake now, Sir, is something more than getting the wrongs of the Indians redressed. In my opinion the issue is whether British Imperialism is to prevail in guiding the destinies of the British Empire. The issue is, is the integrity of the British Empire and the honour, the self-respect and dignity of 300 million inhabitants—the most important member of the British Empire—to be sacrificed at the altar of Africa? The issue is not between Africa and India. Even if it was that, I venture to think that there is only one course open to His Majesty's Government,—to say that they would prefer India, because your civilization, your culture, your trade, your commerce, your industry, everything that you hold near and dear will certainly be improved by the continuance of your connection with India; and my own countrymen, on the other hand, would be proud to be connected with your Empire. I will not utter vain threats, but I will simply close with a passage from a speech delivered by

a great English statesman, Mr. Lloyd George, at the Imperial Conference of 1921:

"No greater calamity could overtake the world than any further accentuation of the world's division upon the lines of race. The British Empire has done signal service to humanity in bridging those divisions in the past; the loyalty of the King Emperor's Asiatic peoples is the proof. To depart from that policy, to fail in that duty, would not only greatly increase the dangers of international war; it would divide the British Empire against itself. Our foreign policy can never range itself in any sense upon the differences of race and civilization between East and West. It would be fatal to the Empire."

Sir, I thank the House for the indulgence and for the attention which they have given to me.

THE HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR (Madras: Non-Muhammadan): Sir, the Honourable Mr. Natesan has dealt almost fully with the subject, and I do not propose to take up the time of the House by giving a fresh recital of the disabilities of the Indians in South Africa. I would only add that public opinion in this country is entirely in favour of the motion before the House. There seems to be a growing desire in the various Colonies of the Empire to keep out Indians and impose humiliating restrictions on them. They do not realise the great harm they are doing to the cause of the Empire. Imperial citizenship is a mockery, with such restrictions on the Statute-book of the Colonies. It behoves the Government of India, Sir, to use all means in their power to uphold the self-respect of the people committed to their care; and whatever steps they take in this direction will have the hearty support of this House.

THE HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, there is so little of difference between the Honourable Mr. Natesan and the Government of India on the substance of his Resolution that I feel that I would not be justified in taking up the time of the House at any considerable length. The Government of India realize that the proposed action of the Government of the Union of South Africa is one which it would be difficult to justify, the only ground by way of explanation being that the Union Government perhaps feel compelled by the force and pressure of public opinion to embark on some measure which is considered by the people of South Africa to be calculated to safeguard their interests. This Class Areas Bill is viewed with great apprehension by the Indian Community both in South Africa and India, and naturally and rightly so. It has been said and correctly that there is no real justification for this measure inasmuch as the Indians resident in the Colonies are very small in numbers compared with the European population, that there is no danger of any fresh influx in any numbers, or in any large numbers into that Colony, and consequently whatever fears might have been entertained in the past by the Europeans resident in South Africa, inasmuch as those fears have been removed by the voluntary action of the Indian Government, the Union Government ought to act more in consonance with the basic principle of Imperial connection than seems to be the case by their bringing forward this Class Areas Bill. Government recognize the great delicacy of the situation. Here is a self-governing Dominion to which have been entrusted wide powers of self-government by the Imperial Parliament. The basis on which the Imperial connection rests is of so fluid a character that the Government recognize the difficulty of interfering with a legislature in what is described to be largely a matter of domestic concern. But speaking on behalf of the Government of India, I think I shall not be doing any wrong to the Union

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Government if I appeal to them for more consideration both to the Indian Government, to the Indian people and, I might say, to the Empire as a whole. Viewed dispassionately and critically, there seems to be no foundation for any real fears on the part of our European fellow-subjects of South Africa, any real fear that their interests would be jeopardised if they did not follow the policy underlying this Bill. I am glad to note that the Legislature and the Government of the Cape Province are setting their face against this and do not want its provisions to be applied to them. That is an indication, a hopeful indication, a hopeful feature that the heart of at least a section of South Africa is after all sound, that there are many people there far-seeing and wise, that this temporary prejudice, which seems to be the real cause of all the trouble in South Africa, would prove only to be short-lived, and that wiser counsels will prevail before the mischief is done. It is true that the Indian Government have failed in securing for the Indian community in South Africa any very great amelioration by their representations. But that is not because the Indian Government have not been vigorous in taking up the cause of the Indian community, but because of the inherent difficulties arising out of the relations of the self-governing Dominions to one another and to the Empire as a whole. The Government of India have aways felt that the true remedy in South Africa for any evils that may be existing there is by that Government pursuing a policy of steady elevation of the status and position of the Indian community, so that before very long that community may be assimilated into the general social structure more than at present, and some of the social and economic evils arising out of unalleged unequal competition or other differences may disappear by reason of a steady elevation. The true remedy for African ills does not lie in the opinion of the Government of India in social separation, in commercial separation or segregation or in adopting measures which are likely to humiliate or lower the position and status of the Indians or any other community resident there. They have been urging, therefore, upon the Union Government as well as His Majesty's Government the necessity, the desirability, the advisability and the practicability of adopting a course of action which would enable the Imperial connection to be rendered more solid, the Indians identifying themselves completely, wholly and wholeheartedly with the European residents in South Africa and defending common interests as if they were their own interests. Unfortunately, we have not been successful so far, I would not say owing to any hostility on the part of the statesmen there, but on account of the prejudices of a large class of the population in that country, especially in Natal. We must, therefore, be patient when we are dealing with such democracies as we have in South Africa and realise that what may be possible in the case of strong autocracies or absolute monarchies, or very highly enlightened democracies may not be possible where the Government, whatever may be the advantages of the system, is weakened by the factor that it is largely swayed by strong temporary passions and self-interests of the electors. I was glad, therefore, to note that Mrs. Naidu, who has been championing the Indian cause both in Kenya and in South Africa, is hopeful that a settlement is possible, has realised the complexity of the problem and is asking from the Indian people, both there as well as here, more patience and that they should do nothing to antagonise the European community resident in South Africa by any speeches or actions on their part. The problem can be solved only by

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patience and an appreciation of one another's difficulties and by a recognition that prejudices can be overcome only slowly by steady action on the part of the leaders and the Government. Government, Sir, have done and are doing what they can to impress upon the people and the Government of the Union of South Africa the extreme undesirability of placing this measure on the Statute-book. I have told you already that they cannot be parties to any measure of compulsory segregation, whether residential or commercial. His Majesty's Government have emphatically asserted the undesirability, unsuitability and the non-necessity for a measure of segregation in the Dominions or Colonies directly under their sway. The plea that insanitary habits on the part of a people and the dangers attendant thereon can only be removed by segregation has been effectively met and can be met by the argument that a rigorous enforcement of the sanitary laws, and town hygiene would achieve the object in view. If sanitary laws be strictly enforced and strengthened where necessary, there can be no reason whatsoever for any social separation. That is the view which the Government of India are urging. The great difficulty no doubt in the past and perhaps even at present has been that some of the shop-keepers, Indian shop-keepers, in towns reside on the premises, making the habitation perhaps very crowded and insanitary, and naturally provoke hostility on the part of the European community. We must recognise that that practice where it exists ought to be condemned. But it ought not to be difficult for the Union Government to enact laws and enforce laws preventing the residence of Indians on their shop premises, where such residence is considered undesirable. The problem can be met in that way; and whatever may be said then in favour of the desirability of people of different habits living in separate quarters of the town, the Government hold that there is no necessity for legislation in that respect, because people would themselves seek to live in localities where they can congregate together, with members of their own community and that is the view that has been expressed by the Government of India. With regard to commercial segregation, the case of the Union Government, the Government of India consider, is weaker still, the safeguards which I have mentioned above being possible in the case of trading premises. Allusion has been made to the fact that the legislation proposed is considered in India as being a violation of the Gandhi-Smuts agreement. It is unnecessary for me to go into the details of that agreement. Whether it infringes upon the letter of that agreement or not, it is unnecessary to state. But all those who have been connected with the relations between India and South Africa had hoped that, as the fear of the influx from India had gone, the Union Government would steadily follow a policy of removing restrictions at as early a date as possible. Whether they are able to remove the existing disabilities, they have, at any rate, to maintain at least the *status quo*. Sir, it has been urged in defence of segregation in South Africa that we in India have no reason to complain having regard to the way in which large masses of the population are treated here. I must admit that in some parts of the country, there is a separation in actual practice. But I would suggest to the Union Government that they have overlooked the fact that there is no segregation under the law, no compulsory segregation, anywhere in India, at any rate, in British India. It is open to the lowest and the most depressed class man to live anywhere he likes and there is nothing in law to prevent his freedom of movement and his right to reside and trade wherever he may please. It must also be remembered—I am suggesting it for the consideration of the Union Legislature and speaking here as a responsible Member—

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that whatever may be the faults of a section of the Hindu community, the Muhammadan community can plead that it does not treat the members of any community in this regard in a manner in which any outside Government can find a precedent. I believe that a large section of the population in South Africa belongs to the Muhammadan community and therefore the arguments, based on analogy, however plausible they may be, have no real substance when we are dealing with the Indian community in South Africa and a question of legislation. But I shall not put my plea for justice and for fair treatment for the consideration of the Government of the Union of South Africa on such a narrow ground. If India has erred in the past, she is paying the penalty for it. In fact, she has already paid the penalty for it. The numerous sections into which a similar policy has cut up India in the past, however much the people in authority were blinded by surface indications were a source of weakness and showed, when the test came, that the social fabric was crumbling to pieces; and may not South Africa take a lesson from the past history of India? May I not ask them to remember that the true strength of the Government of the Union of South Africa would consist in their pursuit of a policy of assimilation making the Indians resident there identify their interests with those of their European fellow-subjects? Sir, we in India may do something by appealing to the generous instincts and to the noble traditions of the European community, however much the conception of their present day interest may temporarily warp their judgment. We know, and history has proved, that there are no people who love and cherish freedom, justice and fairplay for other people more than our fellow-subjects resident in the United Kingdom and those who have migrated and settled down in various parts of the country and their descendants may be expected to inherit those traditions. I, for one, do not entertain any fear that in the long run those noble traditions will assert themselves notwithstanding a temporary set-back in actual practice owing to the conditions that I have described. India has given hostages to the Empire by sending her people into the various outlying Dominions protected by the flag of His Majesty the King Emperor. These hostages, if treated justly, will be an indissoluble link between India and the other parts of His Majesty's Empire. General Smuts himself has in an answer to the Maharaja of Alwar, which I quoted some time ago, made a statement which fills me with some hope that, notwithstanding the conditions under which he has to speak and to think out the present day problems, he may yet rise above his environment. When he was asked by the Maharaja whether no injustice to our fellow-subjects was being done in various respects, General Smuts said:

"They have all the rights barring the rights of voting for Parliament and the Provincial Councils that any White citizens in South Africa have. Our law draws no distinction whatever. It is only political rights that are in question. There, as I explained to you, we are up against a stone wall and we cannot get over it."

THE HONOURABLE MR. G. A. NATESAN: Did he say that in 1921?

THE HONOURABLE SIR NARASIMHA SARMA: No, he said this in October 1923.

We are not now on the question of political rights. I do not consider that the question of residence and the question of commercial facilities are in any way connected with any question of political rights and I hope General Smuts will remember the answer that he has given at a public

Conference at which all the Dominion Premiers were gathered and see his way to convince his countrymen in South Africa that, for the sake of the Empire which is protecting them, if not for the sake of India, they might give up this policy of enacting a law which is bound to fill with indignation, grief and dismay His Majesty's Indian subjects wherever they may be resident, however wisely and generously that law might be enforced in actual practice. India has held out her hand of fellowship to all the sister Dominions, and we have had a gratifying response at the Imperial Conference from almost all the Dominion Premiers. I feel that General Smuts himself would have been only too happy to have joined his brother Premiers if he felt that the forces behind him would permit him to do so. I pray therefore that in any speeches that may be made either here or outside no feeling of hostility or antagonism or bitterness will be introduced, that the difficulties with which the Union Government are faced should be frankly recognized, but that the Indian people and the Indian Government should follow firmly their policy for securing justice and fair play to the Indian community resident in that country. I may assure our Indian fellow-subjects in South Africa of the support of the Government of India, such support as they can give, and I feel sure that we have behind us the support of His Majesty's Government also. An appeal has been made to His Excellency Lord Reading to espouse the Indian cause. There seems to be no necessity for such an appeal. I may assure this House and the people of India that His Excellency Lord Reading has been striving his utmost to secure justice and fair play for the Indian community resident in South Africa and in other parts of His Majesty's dominions. (Hear, hear.) Whatever lay in his power, whatever lay in the power of the Government of India they have exercised, are exercising and mean to exercise. Our hearts go forth to our Indian fellow-subjects in South Africa. They may rest assured of our sympathy and of such support as we can give. But I pray that we may be granted the wisdom not to import unnecessary passion into the controversy and spoil a good cause, and that the people of India will steadily and steadfastly pursue a course of action which will strengthen the hands of the Government of India and His Majesty's Government in dealing with this very thorny and troublesome question, and I feel sure that in the end all will be well.

THE HONOURABLE MR. G. A. NATESAN: Will the Honourable Member give us some information as to what stage the present Bill has reached in the Union Parliament?

THE HONOURABLE SIR NARASIMHA SARMA: I fear we know nothing more than the Honourable Member. We were informed that the first reading of the Bill would be taken up about the 5th March. We have not since heard anything more than what has appeared in the press. Evidently the second reading has not yet taken place. We have arranged to get a full summary of the speeches delivered in South Africa on this subject if this Bill should be taken up for second reading in the Union Parliament. We sincerely hope that the Union Government may see their way to drop the measure, or, if they cannot do that, to so radically modify it as to meet the wishes of the people of India and their fellow countrymen resident in South Africa.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, after the very dispassionate treatment this vexed question has received at the hands of the Honourable Sir Narasimha I do not propose to move my amendment. I was hoping to place before this

[Mr. R. P. Karandikar.]

House most of what could be said on this subject of our African brothers and sisters residing in South Africa and also Indian subjects residing there. I have noticed that the cause of Indians residing anywhere in this world has been acknowledged to be the function of Indians here to protect, and it is in that sense that the Government of India, we are assured, are very properly taking all possible measures to protect Indian interests. When I put forward the amendment I was under the impression that perhaps this Resolution might be applicable to much more than the language of the Resolution itself indicates. But having heard the Honourable Member in charge, I am sure that it is restricted only to a particular part of the grievance, and that is the residence of Indians in South Africa. I will therefore desist from embarrassing the situation. I am however anxious to correct a certain impression. Our patience has all along been misjudged outside India. It has been construed into a sort of submissiveness which passes the comprehension of those who are residing outside India to appreciate. Recognition by courtesy has been the rule which has been applied to Indians outside India. What is wanted by Indians is action in assertion of the right of Indians as citizens of His Majesty's Empire. I hope that we will see the summary of the speeches delivered there in South Africa, and I am anxious that the summary of the speeches delivered here, fragmentary as they might be and not sounding as enthusiastic as might be expected, should convey to those who have it in their power to exclude Indians from certain areas the necessity of thinking over the situation and respecting the wishes of the Government of India that very properly represents the sentiments of the Indian people. I therefore do not move my amendment in the hope I must say that at no distant date, possibly there may be no occasion for it, it may even be possible for me to put it forward in the form of a Resolution which may be acceptable to the whole House if circumstances do require it at a later period.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, no one in this Council can fail to appreciate what the Honourable Member in charge of the Department and his colleagues on the Executive Council, especially His Excellency the Viceroy, following in the footsteps of Lord Hardinge, have been doing for betterment of the lot of the Indians abroad. It is not for us to say that we are supremely thankful to them for this, for they and we for this purpose are one and the same. I congratulate my Honourable friend on his stout optimism—the optimism somewhat like that of the boy who when given a very sour mango to suck and asked how it tasted had to moan out, in view of the big stick behind, that it was tasting admirably sweet indeed. Well, appeals to "noble traditions" and "generosities" and other estimable traits of South Africans have been incessantly made and I am sure will continue to be made as matters of policy for the good people playing the bully are, according to my Honourable friend, obliged to play the part, because of "the forces behind them." But my friend must not forget, and we must not forget, and those abroad who are dealing with the situation must not forget, that the forces of the kind behind General Smuts that have been concentrated and are moving him forward in spite of all his own sweet reasonableness are also steadily at work here in India. The time may be distant but the time is fast approaching when these forces will manifest themselves more and more and people will not stand by and

see their brethren abroad treated as they are being treated and Government here will find its work increasingly difficult. Sir, last year my friend appealed in another House; this year he did so here; and the Right Honourable Srinivasa Sastri by letter and wire appealed to Members of both the Houses of the Legislature for sweet reasonableness, and the response was adequate. Not a word was said, not a gesture was made, which could be construed into anything like hostility or antagonism or which might embarrass negotiation. The Right Honourable Srinivasa Sastri has come back somewhat chastened. I do not attempt to read his thoughts, but sometimes his utterances, though not exactly in this Council Chamber but not very far away in a somewhat heated atmosphere, have not of late been exactly responsive to what my Honourable friend opposite would still appeal for. Sir, our delegates are now on the high seas, the delegation has been completed and we wish it all success in its arduous work. His Highness the Aga Khan is not its head, and some one is inspiring people with hope—if his first name is likely to be of any significance—in this concern. We are all bound to be hopeful. We shall wait for the best of results for there is nothing else to do. Not a word, I quite agree and appeal to all concerned should be said that would make their work difficult. But one has to pause and think. My friend has referred to the action of the Cape Government. I have a copy of the telegram about it in my hand. What has the action of the Cape Government referred to by my friend been due to? The telegram will speak for itself:

"As the result of a conference of the Cape Members of Parliament Government has decided to introduce a clause in the Class Areas Bill exempting the Cape from the provisions of the Bill. *This is regarded as significant, as the Cape is the only province in which the Indians have the franchise.*"

The Cape is the only province where Indians have the franchise, and, where the Indians have the franchise, somehow or other they can make themselves felt, and it would not be quite agreeable to the Cape Government to have that franchise of the Indians exercised for the moment for objects prejudicial to what the Cape Government has in view. That which moves all the powers that counts, is really what has been moving the Cape Government in this direction, and we must not belittle the significance of the exclusion which has been clearly brought out in the telegram which I have just read. Sir, that is exactly why we are pleading for the franchise as one of the inevitable goals everywhere. With self-respect comes power. We have been told to-day that we must not raise false issues, or at all events outside issues regarding political and other questions; in connection with what is purely an economic question, a question of residence and sanitation. Well, Sir, the two things are absolutely and indissolubly mixed up together, and we cannot forget that so long as our people have not the requisite status and do not possess the franchise that they are entitled to, they will not be able to assert themselves in the same way as the Indians having the franchise in the Cape Colony have through the Cape Government been able to do. With power comes the means of asserting self-respect. However, that is only by the way. My Honourable friend has referred to Mrs. Sarojini Naidu's exertions, and I wish her all success I am sure. If she will succeed in restraining herself as she promises to do, I am sure a great deal of good will be done. But let me give an extract from her recent journal, where we are told:

"It will be well to remember that there were times when the white settlers were in sore need of Indians to develop that colony. Indians have made Natal the 'Garden

[Dr. Sir Deva Prasad Sarvadhikary.]

Colony' of South Africa. The white men no longer need their assistance and find that they can live by themselves. The Anti-Asiatic League is becoming stronger every day and is out for segregating Indians. They forget that Indians have several vested interests and valuable properties and before they are asked to go elsewhere, they will have to be compensated fully."

Sir, the compensation scheme, the reparation scheme, is in full working order, and those who are doing that propaganda work tell the people in glowing language that it is a fact that food is plentiful in India, crops in India have been good, brown rice is Rs. 24 per sack of 157 lbs. and that there are large avenues to plentitude and luxury. By way of curing a headache, amputation in the neck regions is the remedy and Indians abroad are to be admitted to easy repatriation. The issues with which we are concerned are issues affecting the few that are unfortunately there for no more will go to augment their number. Even from the point of view of this limited number what is the value of what separate authorities however reasonable for the time being may be doing? To-day the Cape Government may be able to influence the Union Legislature to the extent indicated in the telegram just read by me. But to-morrow we may have other experiences. The Governor General in Council vetoed not long ago a Bill passed by the Natal Provincial Council almost exactly on the lines of the Hulett Ordinance which has just been promulgated. The objectionable thing goes on, and in a see-saw fashion and unless something strong and definite is done, it is bound to go on, and the vexed question will never be settled (*The Honourable Sir Arthur Froom*: "May I ask, Sir, from what paper the Honourable Member is reading extracts?")— "Indians Abroad" by Mrs. Sarojini Naidu, who was mentioned by the Honourable Sir Narasimha Sarma in the course of his speech. Sir, I do not want to labour this point. We have often been told that these are domestic matters about which under the Imperial contract the South Africans are entitled to do what they like. We were told the same thing when last year, in connection with the question which I raised elsewhere of a reduction of the League of Nations contribution, we were told what was done in Tanganyika was also a domestic concern with which the League of Nations could not interfere although they were no more than mandated territories; we understood that all the same matters in Tanganyika would be worked into and put right. But what is happening in Tanganyika to-day? I hold in my hands a telegram just received which shows that the Tanganyika people are just as badly off as they were when we were discussing that measure last year: the language difficulty, the obligation to keep accounts in any but a non-Indian language was continued. Even French has been added as a language in which accounts could be kept. The Indian literature and the Indian language are to have no value to the Indian abroad. I do not want to go into details of questions like that at length here, because I recognise with Mr. Karandikar that we are considering a fairly narrow issue, but one cannot help referring to these matters by way of indicating what is going on in the different parts of the world where Indians have been obliged to go and where these troubles and difficulties are instead of diminishing arising more and more. My suggestion to the Honourable Member here to-day in connection with this Resolution would be that, although we do not press him to publish the brief and his instructions to the delegation on points like those arising out of this Resolution, points like those arising out of the telegram from Tanganyika that I have in my hand (and which

I shall hand to my Honourable friend if he likes and which will be made public to-morrow), are points that ought to be pressed upon the delegation and, if they have an opportunity, they should bring them home to the Colonial Office and, if they are not allowed an opportunity for doing this, then Government should create such an opportunity.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, on all the occasions when this matter has been brought before the Council, I have taken part in the debate, but somewhat differently, because I have always spoken very feelingly and perhaps strongly. We are told to-day by Sir Narasimha Sarma that no points should be introduced in the debate which may cause annoyance in that country with which we are now dealing. I would therefore leave that point. I can say one thing, Sir, that in those Dominions it is not the English people alone who are there, but there are many other nations, because if they were one nation our British Government would not have gone to war with them. The question of Indians was, as I said the other day, so paramount, to our Government, that one of the main causes of going to war with them was their treatment of Indians. I think I have already said this before that I was so sorry when I heard that they were treating Indians so badly that I offered my services and the offer was accepted, and had the war not come to a close, I would have taken part in it. One of the reasons why I am speaking to-day is that a large proportion of that population is Muhammadan, and being a representative of Muhammadans of my part of the country, I think it is necessary that I should add a word, because Punjabis are concerned in the matter of emigration as they go all over the world. I want to impress on the House that, if that country consisted of only the English, we would have been treated just as well as we are treated in England if we go there now. As the Resolution stands, Sir, it is all very well and very good, but I think whether Government accept it or not, all that they can do is being done and a greater part of it was done when Sir Narasimha Sarma spoke to-day. Because we have not got strength to achieve our object, all that lies in our power is begging and that we are doing. Sir, as regards the disabilities there, the Government of the Dominions cannot rectify them, as it is really the people who are against Indians. They think that we can live cheaply and on less money which they cannot do, and that is one of the causes of the trouble there. All the laws which are in process of enactment there are really not meant to give us any trouble, but what is at the bottom of the heart of the people in the Dominions is that Indians who have gone there have got no business to do so and it is better that they should soon depart therefrom and if they put the Indians to trouble or humiliate them, they think they would soon go. They do not want Indians there and we have not got any power, because there is no chance of our going to war against them. The best thing, therefore is to do something practical, and that is this. India is in a position and will be in a position to give those people who have got lands or house property there of any value, property in this country. There are many canals which are going to be constructed on which there are thousands and thousands of acres of land on which people can be accommodated and employed. If we have got any *izat* or any love for our countrymen, I think all those who are now thinking of getting land should not do so and should give place to our poorer countrymen who are stranded in South Africa, so that they may come back and make India their home again. That would be, I think,

[Sir Umar Hayat Khan.]

a more practical step. Of course we ask the Government of India that they should do something on our behalf; but if we ourselves in this country do not accept from the Government the recommendations which they say are for our benefit and for our good, for running the State, just as happened the other day, how can we expect the same Government to go and ask on our behalf such things from another Government? It was for this purpose, that is the treatment of the Indians abroad, that Dr. Gour brought forward a Reciprocity Bill, or whatever it may be called. Yet Government can make rules thereunder. For this there ought to be a committee of experts who know what we can do against the Dominions if we take the extreme steps that we can. That is can we do anything effective against those who are now humiliating our countrymen? If we can do something then it is all well and good. We can only pass the Resolution if we stand on some firm ground. But if we find that we cannot do anything, then, I think there is no use in passing Resolutions which nobody is going to hear. With these few remarks, I thought I should just take part in this debate and say something practical as to what should be done in future.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non-Muhammadan): Sir, the speaker who has just sat down occasionally startles us by a stroke of genius; he has done so to-day. He said the people of India and the Government of India have, in the matter of disabilities of Indians overseas, been doing and have done all that could be done. All that is open to them, according to him, is begging; and of that art they are perfect masters. The Honourable Member in charge of the subject, in a speech, characterised by much thought and statesmanlike caution, has informed us that this Government is aware to the full of the developments in South Africa and that everything that could be done is being done. He added in the course of his remarks that he would much like that the hands of the Government were not weakened and their advocacy embarrassed by any statements made by speakers and writers, whether in the Council or on the public platform outside, calculated to show bitterness of feeling or hostility towards the South African Government; and amongst the reasons that he urged in favour of this course of moderation and reasonableness, I came upon a statement which I must challenge without any compunction. He told us that in this matter the Government of India have the full support of His Majesty's Government. Now, Sir, I am not here to accuse people unreasonably or without a sense of responsibility. I make no statements that I cannot substantiate. It is perfectly true that His Majesty's Government are in a sense in full sympathy with our case in South Africa and would, whenever it suited them and was not otherwise inconvenient put in a mild word of remonstrance at the unreasonable ways of the democracy as it is called, but what is the narrowest oligarchy in the world, in South Africa. How the British Cabinet is handicapped in this matter, everyone knows. They cannot honestly stand up now for the maintenance of any pledges that the South African Government may have made in this behalf. Having themselves been a party to the violation of the spirit of the Resolution of 1921 in regard to Kenya, their appeal to the good sense of the South African oligarchy is bound to fall miserably flat. Moreover, not only where they are themselves the final arbiters, but where they are the trustees holding a mandate from the League of Nations, which at all events, for moral purposes is on much higher and much more unassailable ground, as in the territory of Tanganyika, they

have permitted the local Government to discriminate against Indians in a manner that the Honourable Member opposite, who seems to scowl at me, does know. My friend the Honourable Dr. Sir Deva Prasad Sarvadhikary alluded to a telegram. It will be published, I dare say, in the papers. Then my Honourable friend will come upon a statement which will be a surprise to him—how, time and again, where Indians are concerned, the British Cabinet falls below its accepted and avowed standard. From them, therefore, I expect no sort of assistance in this matter. Sir, my friend the Honourable Sir Narasimha Sarma, echoing the words of Mrs. Sarojini Naidu, asked us to believe that the heart of South Africa is still sound. Mrs. Sarojini Naidu herself took care to say that, while the moral heart of South Africa seemed to be sound, the political heart of South Africa was corrupt to the core. I do not wish, Sir, to go into personalities. I was much struck, however, by the way in which Sir Narasimha Sarma still believes in the possibility of getting round General Smuts. He does not know General Smuts. He has not met him. I have met him. If Sir Narasimha Sarma and the members of the British Cabinet also believe that they can persuade General Smuts to forget the necessities of the situation and act in pursuance of those mighty truths of humanity and brotherhood of the world of which occasionally he does speak with eloquence which takes the similitude of conviction, then all I can say is that they entertain a delusion of which, I am sure, they will all too soon become aware. In this very matter of the disabilities of Indians in South Africa, General Smuts has given the world, and India in particular, many a promise in the past. Declarations that, if India and Indians took a certain course, namely, restricting their emigration to South Africa, all would be well with those who were domiciled in his dominion, have been frequent. Although emigration from India to South Africa has in point of fact ceased for a good long time now, as the Honourable Sir Narasimha Sarma knows well—even better than I do for he has access to secret documents which he seems to make his exclusive property—the difficulties, disabilities and humiliations of his countrymen are only increasing from year to year in the Dominion of South Africa. In 1911, in 1914, in 1917 and again in 1918 General Smuts said that nothing would be done to damage the interests of the Indians resident in South Africa. This is a false promise which he made to my knowledge and which has been broken, torn and scattered to the winds of heaven. I will not say much further. It was said by the Honourable Dr. Sir Deva Prasad Sarvadhikary that we have just now sent off with our good wishes an unofficial Committee of Indians and Europeans on whose labours we wish the blessings of Heaven, who is the source of all justice and goodness in this world to rest. Let me say nothing that would embarrass them. But in this matter concerning South Africa solely, which is excluded from the scope of their deliberations, I think a word or two may be said without fear of any harm to their labours. I have for some time now believed that in South Africa our countrymen have, at least for a generation, no hope whatever. We have to carry on the struggle, it is true. But so long as the Government of India continue to believe that they can bring about amelioration of the conditions of Indians in South Africa merely by remonstrance, by diplomatic representations and by dignified protests which are made in public and withdrawn subsequently, they will find that they are letting themselves in for the most bitter disappointment. The country has lost all hope of improving our conditions in South Africa. The bitterness is there. Our efforts must now all be concentrated on the evil not spreading beyond South Africa.

[Right Hon'ble Srinivasa Sastri.]

Kenya, and while it is not too late, Uganda and Tanganyika, must be protected from the infection of this Boer menace of hatred of coloured people. The Honourable Sir Narasimha Sarma must be aware as well as I am that General Smuts resents the imputation that he is against Indians. And for a wonder, would the Council believe me when I say that General Smuts' claim is that in this matter of prejudice towards Indians, that in this matter of hostility towards Indians, that in this matter of desiring to rid the African region of Indians, it is not the Boers, it is the British people who are more responsible. He said so deliberately at the last Imperial Conference. He said so to me in person. This is what he said. "It is in Natal, where the white population is predominantly British and not Boer, it is in Natal that the worst troubles have recently arisen". And he says that the enemies of Indians are not his countrymen but Britishers. I respectfully pass on the compliment to the British people. Let them decide, Boer and Britisher, in amiable rivalry to whom should fall this laurel of the most rooted hostility to their Indian fellow-subjects. I will not attempt to decide the dispute between them. But that is the trouble. It has now reached very acute dimensions in Natal where the Britisher is in power, and General Smuts says if it were the Boer "I could go for him. But as it is the Britisher in Natal whom I am bound to protect, I cannot interfere with his liberty." Sir, I must say that the Government of India must in their heart of hearts have come to the same conclusion that I have come to, that the problem in South Africa is beset with so many difficulties of a moral character, involving the whole psychology of a people, the entire upbringing of an arrogant white race, that the weapons which they have hitherto used and to which Sir Narasimha Sarma still sticks with pathetic simplicity would not do. I really do not know what Colonel Sir Umar Hayat Khan has in mind when he says begging will not do. What else is there in our power? We cannot use the bullet which he once recommended in this Council. Sir, I will only conclude with this confession. Along with Mr. Andrews, along with Mr. Gandhi, along with Mr. Polak and along with many others who have tried to judge of the situation in South Africa from a level of statesmanship and humanitarian conviction, to which most hard-hearted politicians round me might be foreign,—along with them I have come to the conclusion very reluctantly that there might be some awakening of the British conscience in this matter, some rousing of a deeper sense of responsibility which we have not been able hitherto to touch in the British nation, if on some happy occasion in the future the Governor General in Council—I will not say the Viceroy, remembering your ruling, Sir,—if the Governor General in Council of India should say to the listening world, "It is impossible for us as representatives of His Majesty's Government to govern India if within His Majesty's dominions we are unable and His Majesty's Government are unable to protect the just rights of the Indian subjects of His Majesty". When a statement of that kind could be made in the moral hearing of the world by the Governor General in Council and the Governor General and his Council of that day resigned their offices because they could not protect their subjects from the insults of another class of His Majesty's subjects—when that step is taken—very far from the bullet which Colonel Sir Umar Hayat Khan recommended the other day I think something would be done which might touch the conscience of the British people. I still have faith in them; they have a way of throwing up their hands when the last extremity is reached and saying, "We did not know; we never

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realized there was so much feeling in India. Why did not somebody say so? Why did not your Indian Member resign? Why did not people do this or do that"? They have a way of remaining deaf and blind until something in the nature of a political explosion takes place and a crisis is reached. Well, I am not asking anybody now to resign. I am only saying that between the limit of the begging line that we have taken up and the beginning of the bullet line recommended by Colonel Sir Umar Hayat Khan there is a large margin of high-minded, of brave and of responsible statesmanship which we have got to traverse, and, God willing, we hope that the interests of the British Empire, its dignity and its high mission in this world, in which I still have faith, disappointed as I have been sorely in one or two matters, that these would still be maintained while we are traversing that margin.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I did not at all propose to intervene in this interesting debate. There is no one in this Council who entertains a warmer feeling on the South African question than myself. There is no one in this Council to whom I yield in the warmth of my resentment in the matter of the indignities and the humiliation with which India has had to put up in respect of the treatment accorded to her fellow-subjects in South Africa. But certain observations which have fallen from my Honourable friend the Right Honourable Srinivasa Sastri compel me to get up and join issue with him. Sir, the Honourable the Government Member has explained the entire position. The Honourable Member made an appeal to all Members that on this occasion no unguarded expression should be allowed to fall either in this Council or outside, for the obvious reason that our delegation are now on the high seas and are shortly about to negotiate with the Colonial Government in the matter of a kindred and most important controversy.

THE HONOURABLE MR. G. A. NATESAN: It has nothing to do with South Africa . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: I know that, but our other interests might be jeopardised by any warmth of feeling here in the matter. I am sorry that that advice has been thrown away or scattered to the winds of the heavens, to use my Right Honourable friend Srinivasa Sastri's language, for the purpose of expressing an angry opinion on the subject, and I am exceedingly sorry that so profound a statesman, so great a master of patience and tactics as my friend the Right Honourable Srinivasa Sastri, should have in a feeling of zeal and warmth spoken and used some arguments to-day which are calculated to jeopardise our other interests. Sir, I do not propose to-day, I have unfortunately not got enough time, to go into the controversy whether the blame lies with the British statesmen and men governing the various Colonies or with General Smuts in the matter of the unequal and unjust treatment of the Indians. My Right Honourable friend has spoken on the subject with great warmth and I therefore expected from him some sort of concrete remedy and suggestion when he disapproved of the action of the Indian Government as well as of the Colonial Government in the matter. I expected him, with his great knowledge, with his profound information on the subject, to have suggested some effective remedy, some skilful solution of the important question. All that I heard from

[Sir Maneckji Dadabhoy.]

him in connection with this matter was that the interests of India would be well served if the Governor General in Council resigned as a body and chucked up their offices as a protest against this unequal treatment and civic indignity. Sir, I have great respect for my friend, the Right Honourable Srinivasa Sastri, but I entirely disagree with the suggestion which he has made. It is a suggestion altogether of a character and nature which, on reflection, he himself will see will not conduce to the interest of the people at large or of any class. As soon as His Excellency the Governor General in Council resign in a body as a protest, what will happen? There will be a lot of other people ready to take the place of His Excellency and the Members of his Executive Council, the Union Government will remain undeterred and undismayed by that course, and the government of this country will go on as it is, and the object which my Honourable friend has in view will never be achieved. I, Sir, abhor loose statements, destructive criticism of whatever the matter may be. If my Honourable friend had suggested any constructive proposals in preference to the policy adopted by the Government, I would have given them my very best consideration. Let us look at the matter dispassionately, and in a matter like this, where the African Government, the Union Government, desire even to act with some measure of contumacy, whether the policy of persuasion, whether the policy of conciliation, or the policy of the bullet recommended by a Member sitting behind me, or the policy of resignation suggested from the opposite benches, is likely to succeed. Sir, by fighting with Africa, India has a great deal to lose. It is no use making random and irresponsible statements in the Council or outside the Council. Those who have got dealings, those who know of our commercial relations with the South Africans, will agree with me when I say that India has much more to lose by any rupture with the Union Government than otherwise. The interests of this country are seriously at stake. I appeal to my Right Honourable friend there to turn over the pages of the commercial Blue Books and see our exports to the Union Government, to compare the large volume of Indian exports to Natal, to the Transvaal and to other parts of that country, and compare them with the imports that we get from those places, and that will be a sufficient answer to my friend that the policy of opposition pleaded for by him will be of great disservice to the Empire and to India in particular. We cannot afford to rupture our diplomatic relations with the Union Government. A policy which propounded such rupture is fraught with danger to the country, danger to the financial and commercial interests of India and one which is utterly unjustifiable and reprehensible. I, therefore, Sir, submit that the policy which the Government of India have hitherto adopted and of which indications have been given to us by the Honourable Member in charge is a policy of sanity, one of propriety and justification, and one which appeals to all unprejudiced people and people who are prepared to think dispassionately and take a reasonable view of the subject. Sir, I do not wish to detain the Council much longer. Nothing will help us except a policy of peaceful protest and dignified remonstrance with the Union Government, a policy pointing out the injustice of their action and the sobriety and fairness of our claims, and I have no doubt that, with all its defects, a day will come when the Union Government will listen to our grievances and justice will be done to this country.

THE HONOURABLE LALA RAM SARAN DASS (Punjab: Non-Muhammadan): Sir, I rise to support the Resolution, and I wish to support all that my esteemed friend, the Right Honourable Srinivasa Sastri, has said. My friend, the Honourable Sir Maneckji Dadabhoy, without suggesting any new policy, has deprecated the policies which have been considered useful by certain speakers of this House. Sir Maneckji approves of the policy which the Government have hitherto been pursuing, which policy, I am sorry to say, has so far utterly failed in achieving the object and the noble object it has in view. (*The Honourable Sir Maneckji Dadabhoy*: "There is no other policy".) No, there is. My Right Honourable friend has rightly said that the British Government have not been very well impressed with the manner in which this matter has hitherto been represented to them, and that stronger action is needed. I agree with him, therefore, Sir, that when the present policy has not succeeded, it requires a change, and a change which will bring about a useful result. India is now very fast reviving the virtue of self-respect, which has been hitherto lost sight of. That self-respect demands that the promises which the British Government and the Governments of South Africa have given from time to time in regard to the status of Indians there must be fulfilled and all the relative pledges must be honoured. So, Sir, it is a matter of paramount importance that the question of colour should not be allowed to stand in the way of Indians attaining equal status and rights of citizenship in the Empire which have been many times promised. I therefore strongly urge, Sir, that a stronger policy of representations must be made and in case the representation has no effect, the action which I proposed two years ago and which has now been endorsed by my Right Honourable friend after his tour in the Colonies and discussion with the authorities concerned, should be adopted, that is the practice, which in England even is a general one, that whenever the Minister or the Secretary cannot have his own way and when he feels that no justice is being done to the cause he has incessantly advocated he has no other alternative but to resign.

THE HONOURABLE THE PRESIDENT: I think this is rather an important debate and might be adjourned. I notice there is no business for to-morrow. If it is equally convenient to the Honourable Member in charge and the Honourable Mover of the Resolution, I think the debate may be resumed to-morrow at Eleven of the Clock instead of resuming it this afternoon.

THE HONOURABLE NARASIMHA SARMA: Yes, Sir.

THE HONOURABLE MR. G. A. NATESAN: I also agree, Sir.

THE HONOURABLE THE PRESIDENT: This debate stands adjourned till to-morrow Eleven O'Clock. Before I adjourn the Council, I desire to lay on the table the Report of the Select Committee on the Standing Orders, for the information of the House. It relates to the rules regarding quorums for Select Committees.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a Message has been received.

THE HONOURABLE THE PRESIDENT: Let it be read.

THE SECRETARY OF THE COUNCIL: " Sir, in accordance with Rule 36 (*1*) of the Indian Legislative Rules I am directed to inform you that the amendment made by the Council of State in the Bill further to amend the Indian Coinage Act, 1906, for certain purposes, was taken into consideration by the Legislative Assembly at their meeting to-day, the 19th March, 1924, and that the Assembly have agreed to the amendment."

The Council then adjourned till Eleven of the Clock on Thursday the 20th March, 1924.

COUNCIL OF STATE.

Thursday, the 20th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

BILL LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: " In accordance with rule 25 of the Indian Legislative Rules, I lay on the table a Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, which was passed by the Legislative Assembly at its meeting held on the 19th March, 1924.

RESOLUTION *RE* RESTRICTIONS AND DISABILITIES ON INDIANS IN SOUTH AFRICA—(*Contd.*)

THE HONOURABLE THE PRESIDENT: The Council will now resume the adjourned debate on Mr. Natesan's Resolution.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, it appears that in the discussion of this important Resolution, on which, as far as I have been able to judge, there is no vital difference of opinion broadly speaking between public opinion on the one hand, and the Government of India on the other, more heat than light was introduced yesterday. It is important to remember that while negotiating with the Dominions Government on a question of this character, India unfortunately has not the same freedom either to negotiate or to act as is given to a self-governing Dominion. Sir, the speech that was delivered yesterday by the Right Honourable Srinivasa Sastri gave expression to public opinion on this question, and I think I must say that the Right Honourable gentleman represented the public view point very correctly. Some objection was taken to a portion of his speech, but I understand that the Honourable Member from Nagpur did not thoroughly appreciate the position of the Right Honourable Srinivasa Sastri . . .

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): May I, Sir, give a personal explanation?

THE HONOURABLE THE PRESIDENT: It the Honourable Member will give way.

THE HONOURABLE SAIYID RAZA ALI: Sir, that our wrongs are numerous, that our wrongs are grievous, in South Africa, and that there is need for redress at once goes without saying. Whatever may have been the attitude of the Government of India on this question in years past, it is refreshing to remember that the policy which has been consistently followed

[Saiyid Raza Ali.]

by the Government of India during the past twelve months and more has sent a fresh ray of hope into every Indian heart.

I must not forget, having regard to the limitations to which the Government of India are subject, that it is not unfortunately open to them to throw the whole weight of their authority on the side of Indian public opinion; but we must not forget that only last year in the speech with which His Excellency the Viceroy prorogued the joint session of the Indian Legislature he gave expression to our views and feelings very correctly and faithfully on the subject. As to what happened afterwards it is not very pertinent, I may say, to the inquiry on which we are engaged. Be that as it may, the fact is, Sir, that, if Lord Hardinge's Madras speech occupied a very prominent place in the enunciation of the policy of the Government of India on the question of the status of Indians overseas, Lord Reading's speech last July is entitled to take an equally worthy and important place. Next we should not be justified in disregarding the very important departure in policy which was made by the Government of India in giving direct instructions to the Indian representatives at the Imperial Conference last year. Sir, it is widely known by this time that Sir Tej Bahadur Sapru received his instructions direct from the Government of India and not from the Secretary of State last year while he represented India at the Imperial Conference. It may be that, owing to a number of important political questions having engaged the attention of the country during the last twelve months, due weight was not attached by public opinion to the implications that necessarily follow the adoption of this policy. Again, a very important measure which gave the Executive Government certain powers to deal with refractory Colonies was passed by the other House at the fag end of the Simla session. I do not think, Sir, it is necessary to say much about the draftsmanship of that Bill. We know that the Bill emanated from a private Member, but I do not think it will be fair to forget that at any stage of that Bill—which by the way was introduced, taken into consideration and passed at one single sitting,—was any discouragement, either direct or indirect, held out to the sponsors of the Bill by the Government of India. Having passed that House, the Bill came to this Chamber and was taken into consideration only the other day. Now, Sir, having regard to the constitution of this Chamber, I for one have no doubt that, had Government chosen to oppose that Bill, it would have been extremely difficult for it to be successfully piloted through this Chamber; but again Government did not take up an attitude either of hostility or discouragement on this Bill.

Now coming to the last step which has been taken by the Government of India in this connection—the appointment and constitution of the Colonies Committee—it will be within the recollection of Honourable Members that following the precedent laid down last year, the Government of India have made it quite clear that the instructions to the Colonies Committee will be given direct by the Government of India and that the Committee will have the right of direct negotiation with their Government.

Sir, the sum total of these numerous acts that I have recited would go far to show that the attitude taken up by the Government of India is not one over which we can legitimately take them to task. It may be that the Government of India, like Providence, acts at times in a manner which is not far short of mysterious and which excites distrust and arouses suspicion at times. I have nothing to say against the constitution of the Colonies Committee, but it passes one's comprehension why the ripe

experience and unrivalled knowledge of some of the Indians who have worked in this connection was not availed of by the Government of India. The suspicion gathers strength when . . . .

THE HONOURABLE SIR NARASIMHA SARMA: I do not rise to a point of order, Sir, but I think it is hardly pertinent to expatiate upon the constitution of the Kenya Committee in connection with the South African Resolution. It will make it difficult for me to explain that position here. I do not want to burke discussion, but I think it hardly relevant.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: May I inquire, Sir, what the Honourable Member means by the Kenya Committee. The House is aware of no exclusive Kenya Committee.

THE HONOURABLE SIR NARASIMHA SARMA: The Committee has been constituted primarily for the solution of difficulties connected with the Kenya Immigration Bill, but it is going to be entrusted with Fiji and it is not proposed at present, unless anything supervenes, to do anything further in the matter of the Dominions.

THE HONOURABLE THE PRESIDENT: If the Honourable Member's point is that this Committee is not going to deal with South Africa, then the reference to the Committee is out of order; if it is going to deal with South Africa, it may not be out of order.

THE HONOURABLE SIR NARASIMHA SARMA: There is no intention at present, Sir, to entrust this Committee with any negotiations or any statement of representations in connection with South Africa. Whether it may be necessary to do so is not a point under consideration, but I have already announced to the House that this Committee will not deal with South Africa at present.

THE HONOURABLE THE PRESIDENT: If, as I understand, the Committee will not deal with South Africa, then the Honourable Member must not refer to it in discussing a Resolution which deals with South Africa.

THE HONOURABLE SAIYID RAZA ALI: Sir, it is within the recollection of the House that the Honourable Sir Narasimha Sarma stated last time in a debate on a similar question that, if necessary, this Committee would deal with South African questions. Am I right, please?

THE HONOURABLE SIR NARASIMHA SARMA: I have not the faintest recollection of having said that the Committee would deal with South Africa.

THE HONOURABLE SAIYID RAZA ALI: If necessary.

THE HONOURABLE SIR NARASIMHA SARMA: Nor am I suggesting now that it will be possible to ask the Committee to deal with it hereafter. It is not proposed at present to ask the Committee to deal with South African questions; it has not been constituted with that purpose in view.

THE HONOURABLE MR. G. A. NATESAN: Sir, as a matter of privilege of Members, either the Honourable Member will have to say that this Committee has nothing to do with South Africa, when any reference to the Committee will be out of order, or if there is even the remotest idea of dealing with South Africa, then I respectfully submit the Members have a right to refer to the Committee.

THE HONOURABLE THE PRESIDENT: I think the Honourable Member has correctly stated the position. If this Committee will deal with South Africa, it is not possible for me to rule any reference to the Committee out of order. If the Committee is not at present to deal with South Africa any extended comment would be undesirable, but if there is a possibility that it may deal with South Africa then it is impossible for me to rule out references to the Committee.

THE HONOURABLE SAIYID RAZA ALI: I agree. The Honourable Sir Narasimha Sarma knows that only the day before yesterday some questions were put in Parliament as to what was the scope of this Committee and when a question was put as to whether the Committee would deal with the South African question also, no reply was vouchsafed in Parliament to it. From this I think it is fair to conclude that this Committee may be called upon to deal with that question also.

Now, Sir, I think the Honourable Sir Narasimha Sarma will see that it is far from my intention to put the Government in a tight corner, and the reason for this is obvious. Had the Government acted in a way which went counter to public sentiment, it would have been my duty in this Council to attack the position of Government. As it is, as I have pointed out, I do not see any vital difference of opinion between public opinion and the view held by the Government of India. But, Sir, I think the public are entitled to inquire as to why, if Government are prepared to take advantage of the services of Sir Benjamin Robertson who retired some years ago, they should deprive themselves of the ripe experience and unrivalled knowledge of those non-official Indians who in the past have been in close touch with their Government. I do not think it would be out of place to inquire as to why this result has happened. It is open to the Honourable Sir Narasimha Sarma to reply to this query which I am putting in the public interest or to ignore it as he did last time. Sir, the crux of the matter seems to be that, unfortunately, we are not a self-governing Dominion, and here with very great respect to my Right Honourable friend, Srinivasa Sastri, I would invite his attention and that of Honourable Members to section 2 of the Government of India Act. That, Sir, it seems to me, is really responsible for most of our misfortunes, whether they be in Kenya or in Natal, or whether they be in the Transvaal or elsewhere. Now, a perusal of this section would go to show that the Secretary of State shall exercise all such or the like powers, which means the powers mentioned in section 1 that has gone before, and perform the duties relating to the Government or the revenues of India. That, Sir, is responsible for the present deadlock in which we find ourselves to-day. Now, as Honourable Members are aware, in no Colony are powers and duties relating to Government and the revenues of that Colony—I am referring to the self-governing Colonies—vested in the Colonial Secretary, whereas when we come to the case of unfortunate India, we find that, whether it is the Imperial Conference or whether it is the League of Nations, or whether it is the Treaty of Verseilles, the Secretary of State must under the Statute find a place side by side with our representatives nominated by the Government of India. So far, on the whole, the Indian representatives have acquitted themselves creditably by pressing the Indian view point, but the constitutional objection is there. I would therefore, with all respect, invite the attention of my Right Honourable friend to try to improve the Government of India Act, for so long as that Act remains as it is, it will unfortunately not be open to us to throw the whole weight of public opinion on the side of the Government of India or for the

Government of India to take advantage of the great weight or authority of popular opinion in full.

Now, Sir, there is just one point which I want to notice in a casual manner having regard to its importance, and that is about the remark which fell from the Right Honourable Srinivasa Sastri relating to the resignation of the Members of the Government of India. Now save what fell from the Honourable Member from Nagpur, I think it is right to point out that the Right Honourable Srinivasa Sastri did not say that it is the duty of the Government of India to resign at once. As a matter of fact, he was simply explaining the disabilities of Indians in South Africa, and, having regard to the repeated efforts that were made by the Government of India and their representatives, and also having regard to the poor result with which those efforts had been attended, he simply suggested that, if these grievances were not redressed, then some time later it would be the duty of the Government of India to resign. I do not think, Sir, that is a position to which any reasonable man, or may I say, any sane man, can take objection, because I am right in assuming that in the course of a few years, nay at no distant date, the constitution of the Government of India would be very considerably changed so as to make the Government of India responsible to the people, and if that stage comes, and I hope it will come much sooner than later—then in that case, if the Union authorities persisted in taking up the attitude that they are now taking, would it surprise the Honourable Member from Nagpur if a demand were made by public opinion in favour of the Government of India taking this extreme measure, namely, the Members of the Executive Council resigning their posts as a protest against the action of the Union authorities? I do not think, Sir, that there is anything in this which would offend against the political sense even of a Moderate of Moderates. Those remarks have no relation to the present Government or to the Government as it is constituted at present.

THE HONOURABLE SIR MANECKJI DADABHOY: I am sorry that you did not understand the speech of the Right Honourable Srinivasa Sastri at all.

THE HONOURABLE SAIYID RAZA ALI: I do not think that my Honourable friend is right in claiming that he alone of all the Members present in this Chamber is competent to follow the speech of the Right Honourable Srinivasa Sastri. Sir, it is a case of nervousness. As a matter of fact, I know there are people who are subject to nervous diseases, who get nervous at the very mention even of a reasonable proposition if it suggests something to which they have been unused or unaccustomed all their lives . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: I am much more accustomed than yourself. I have had 15 years' experience in Council.

THE HONOURABLE SAIYID RAZA ALI: Sir, I am told that my Honourable friend has been much more accustomed than myself to such things. It would be extremely difficult for me to contradict my Honourable friend, but one thing I can say and that is, that my Honourable friend's reputation outside this Council is that he is a politician, but we of this Council know that he is no politician at all. Sir, again I say that quite apart from a word here and a word there, to which the Right Honourable Srinivasa Sastri might have given expression I think that, looking to the substance of his speech as a whole, there is nothing in the speech which does not truly and faithfully represent Indian public opinion.

THE HONOURABLE MAULVI ABDUL KARIM (East Bengal: Muhammadan): Sir, after having heard all that has been said on the subject, I feel that it would be undesirable to record a silent vote. The discussion, I am afraid, has taken a turn that is to be regretted. Solidarity and unanimity of opinion in a matter like this, I am sure, would have carried great weight. The Right Honourable Srinivasa Sastri, I believe the Honourable Members are not unaware, was at one time sanguine of success in bringing about a satisfactory settlement, and he was pilloried in the extremist press and platform for his optimism. I think it is the personal knowledge of the actual situation which he acquired in the course of his tours in the countries concerned that turned him into a pessimist. After having seen with his own eyes the human treatment meted out to his countrymen in those countries, and after having heard the many tales of grievances they had to tell, and, above all, finding that their opponents—I may say their oppressors—took up a most unyielding attitude and showed a determined unwillingness to entertain even reasonable proposals, he must have realised the futility of the efforts made and the steps taken from time to time to ameliorate the pitiable condition of his countrymen. In such circumstances, I believe, he was perfectly justified in using the strong language that he used in giving expression to his disappointment and in suggesting certain extraordinary measures. It seems, Sir, that those who are inclined to take exception to what the Right Honourable Srinivasa Sastri said, are not in touch with the intelligentsia of the country, the people who really and seriously think about such matters. I believe if the Honourable Sir Narasimha Sarma had opportunities of personally seeing and hearing all that the Right Honourable Srinivasa Sastri saw and heard, he would not have thought that the mild measures he is inclined to advocate would produce the desired effect. In going through the magazine " Indians Abroad " I happened to come across a passage in which public opinion has been expressed by a certain person. It runs as follows:

" Is not the time ripe for the Indian leaders to devote their attention towards their exiled brethren also? It is an admitted fact that in the past, leaders of Indian thought and the Indian National Congress did nothing to prevent and redress the various wrongs under which our people are labouring. The Member in charge of the Emigration Portfolio in the Viceroy's Executive Council is an Indian and of our own blood—the Honourable Sir B. N. Sarma. He must be able to feel the difficulties of his own brethren in the Colonies and he should take up this question. Hitherto he was practically in slumber. We hope that now at least he will awake, fear God, and for the sake of humanity begin to act."

I think those who are really aware of the intensity of feelings in the country cannot be so callous as not to feel the urgent necessity of adopting such measures as would prove really effective in removing the disadvantages, the difficulties and the disabilities under which our countrymen are labouring. I do not think it desirable to take up the time of the Council by enumerating the various grievances of our brethren in the Colonies. I think these are too well known to need repetition. I believe, Sir, the days of paper despatches and telegraphic protests are gone, and the time has come for taking more decisive and stronger action. An impression seems to be gaining ground (it is not at all to the credit of the authorities) that the Government of India and even the Imperial Government are powerless to protect the Indians who are entirely at the mercy of the Colonial Whites. They have so far disregarded and, I think, will continue to disregard the agitation in this country. What does it matter to them if we make a noise without hurting them? This is an age of self-assertion; unless we can effectively assert ourselves, our representations and our requests will, I am afraid, be unheeded. I think, Sir,

the self-respect of the people of India, and the self-respect of the Government of India as well, demand that such effective retaliatory measures should be adopted without further delay as would produce the desired effect. The time has come when the policy of representation should be changed. We should not ask any longer as a matter of favour what we are entitled to demand as a matter of right.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): Sir, the problem of the position of India in the commonwealth of nations, to my mind, is a problem of paramount importance at the present moment, not only for us Indians but for Englishmen also. Thinking men all over the world are realising the economic unity which is bringing the world together, which is making us all feel that we cannot prosper without coming to some kind of world understanding, and without finding a new way to live. This problem, Sir, needs continuous effort, not only on the part of India, but on the part of Britannia in whose hands at the present moment the interests of the world are concentrated. What is going to be the future of the world and of this great Empire, which has brought white men, brown men and black men together? We have all enjoyed peace together; we have been learning the art of living together. It may be that in our hearts we still entertain certain dark distinctions. We feel that one is superior and the other inferior, but at the same time the thing that is becoming very clear to all of us is this that by learning to live together we can realise the future of civilization. The war has proved the destruction that awaits discords. That in our own Imperial household we cannot live together in times of peace and that in South Africa Indians cannot assert their Imperial citizenship is a thing most undesirable, a thing Britannia should not tolerate. Britannia is the trustee of India I cannot agree with my friend Saiyid Raza Ali when he spoke of the Government of India Act as standing in the way of our realising our position in the Empire. I think because we are not self-governing it is the duty of Britannia to see that our rights are respected and our position as citizens of this great Empire defined. And then, Sir, there is the great question, and this is to my mind the problem of greatest magnitude the future relations of Asia and Europe. The whole of Asia is working towards equality and air tide is rising. It may be that for a little while, it became noticeable that in India, Indians were in some respects conscious of the superiority of the West, but, Sir, as the time has gone on India is no more conscious of any inferiority. Indeed, we believe now, as we did not believe before the war, that India has something to contribute to the West, the lesson of simple living and high thinking, the lesson of simplicity in life and carrying out brotherly relations between man and man and thus helping peaceful progress. Self-assertion, the assertion of individuality, the movement towards freedom, that we notice to-day in the West, to what is it leading? Is it leading to unity or is it leading to disintegration? Are we working towards unity? I am sorry, the portents do not promise peace. It is here India has to teach something. In India many people have lived together and lived together in peace. It is in India again, that the future of the British Empire is to be realised. We must learn to sink differences and gather together as citizens of this Great Empire. To me, Sir, it seems that the question of Indians abroad is invested with a great deal of imagination. A certain amount of practical thinking will clear misconceptions. Is India going to invade South Africa or Kenya? Because a few thousands of Indians are settled it does not follow that people from India will migrate in large numbers. Our fellow country men wherever they

[Sardar Jogendra Singh.]

are add to the wealth of the country, they are not taking away anything from those countries, and all they are asking for in South Africa and in other parts of the Empire is that they may have the right to assert their manhood. It appeared to me that Sir Maneckji Dadabhoy was really nervous when he spoke criticising the speech of the Right Honourable Srinivasa Sastri. In pressing the claims of India, I think we are really pressing the claims of the British Empire. India is an integral part of the British Empire, and to weaken the position of India is to weaken the British Empire. To those who resist our claims in South Africa and in Kenya, I would appeal to their statesmen to realise that our Empire is great, not only from the economic point of view, but from the spiritual and moral point of view. And its future depends on the coming together of all the Nations.

During the war, Sir, when we heard General Smuts speaking of peace, the world peace, it seemed that he was the one man that could solve this question. He had the larger view and his speeches were inspired with something of the idealism which was found in the literary articles contributed to the *Times* by some great journalist. He had the vision, the grip, the large understanding of the world problem. But now what has happened when this question of the sisterhood of nations within the Empire itself has come before him? He shirks it; he does not face the problem at all. He is governed by the problems of the moment and he is forgetting the future. It was a great disappointment to me when I found General Smuts, the one man who stood during the war for world peace, standing up against Indians' claim. I still hope that when he has had time to reflect and consider this question, he will espouse our cause, not only in the interests of South Africa, but of the Empire itself. I need hardly assert, Sir, that no race, so far as the history of the world goes, has ever been able to appropriate any part of the earth for itself. And to-day, when we are talking of a white man's land and a brown man's land, do we really believe that it is possible to mark out new boundaries where the sun will not shine, and where God's law will not assert itself? It goes without saying that the balance is maintained by a law which meets out utter justice. The need for a clear definition of Imperial citizenship is greater to-day than it was ever before. Not long ago, Sir, in France an incident occurred which points out how these great people are tackling this problem. There was a hotel where coloured people were barred from entering, and I saw, I think, in the *Times* that President Poincaré himself passed an order that the hotel should be closed declaring that those who fought for France during the War must enjoy fully the fruits of peace. That is the French idea of Imperial citizenship. That is how we wish Britannia to stand for us and say " They are ours, and so we shall stand by them; they fought for us during the war, they were our comrades during the war and in the times of peace they too shall be our comrades and enjoy the fruits of peace." While I am on this point, Sir, I cannot but congratulate the Government of Lord Reading on the stand that they have made for India. They have consistently maintained our position. They have tried to do their best, and if we in this Council pass Resolutions, if we sometimes criticise the Government of India, we do so with one object only, to bring home to them what the country is thinking outside, to bring them strength, that they may be able to continue the fight. There is no other motive in passing these Resolutions but to show how the popular mind is moving. I need hardly point out that the need for firmness is as strong to-day as it was yesterday. The Government of

India must be firm. It does not mean that they should resign; it means that they should not give up, but should stand for the Indian claim and consistently bring it to the notice of the British Government, and also to the Government of South Africa and find a permanent solution.

I, Sir, have no belief in retaliation of any kind whatsoever, but I do believe very strongly in reciprocity. We should cultivate reciprocity and promote it, so that the different races that make up this great Empire may come to understand each other.

The Honourable Sir Maneckji Dadabhoy in his speech seemed to confine his eye to profit and loss account only. But this God's world is not a shop There are higher values which we have to take into account; and, if I may say so, the Government of India should forget the policy of expediency, should step out of the atmosphere of unreality that sometimes surrounds it, and remember that:

Matta-i-koshish-i-be muddá ki kya khabar tujhko;
Teri hadi-i-nazar ai hulhawas súd-o-zián tak.

It is very difficult to translate this into English, but it means " What dost thou know of the wealth which is not desired O greedy one whose eye is fixed on profit and loss ".

With this, Sir, I would appeal to this House to support this Resolution with one voice, Europeans and Indians joining together, and at the same time bring to the notice of the South African Government that we have absolutely no feeling of hostility towards them. We want to promote their happiness; we want to bring them new wealth, and we want to take a share in this great Empire so as to make it even greater.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): I want to make a personal explanation, Sir.

THE HONOURABLE THE PRESIDENT: The Honourable Member may do so if it is a personal explanation he wants to make, but he must not bring forward an argument.

THE HONOURABLE SIR MANECKJI DADABHOY: No, Sir, a personal explanation only. Sir, in the course of this debate to-day, I find that I have been grossly misrepresented by more than one speaker. Sentiments have been ascribed to me in connection with this Resolution to which I never gave expression. All my quarrel or rather my complaint yesterday was with respect to certain remedies to meet the present difficult situation suggested by my two Honourable friends Sir Umar Hayat Khan and the Right Honourable Srinivasa Sastri. I did not and do not oppose the Resolution in any way. I started with my full sympathy for the Resolution, and, if it goes to the vote to-day, I am going to vote for the Resolution. I only questioned the course adopted and the suggestion made that the Governor General in Council as a protest should resign their appointments (*An Honourable Member:* " Should the contingency arise ".) to meet this difficulty. I do not at all favour that course.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, towards the conclusion of his eloquent speech yesterday, my Right Honourable friend Srinivasa Sastri, for whose selfless patriotism I entertain the highest admiration, gave expression to a sentiment which I cannot but regard as the outcome of that mental condition represented by the well-known saying " Hope deferred maketh the heart sick ". Although he admitted that the Government of India had consistently for a long time

[Dr. Mian Sir Muhammad Shafi.]

past represented the views and feelings of the Indian people to His Majesty's Government in connection with this important and vital question, nevertheless he expressed the opinion that, unless and until the Viceroy and the Members of his Government sent in their resignation by way of protest, there was very little hope for the solution of this important question.

THE HONOURABLE SIR MANECKJI DADABHOY: And not hereafter, as the Honourable Saiyid Raza Ali said.

THE HONOURABLE SAIYID RAZA ALI: Is that a personal explanation?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I appeal to the House to permit me to offer the few observations which I intend to make on this question without interruption. Sir, personally I do not believe that that expression of opinion represents even the Madras spirit, but it certainly does not represent the Punjab spirit. If I were to liken South Africa to a fortified citadel which we Indians wish to storm for the relief of our brethren there, what would the Right Honourable Srinivasa Sastri think of a General who, simply because he failed in storming that citadel once, twice, perhaps even three times, laid down his arms and did not persist in his efforts, did not continue his efforts to storm the citadel in order to bring relief to the people imprisoned there. I submit the analogy holds literally true. Assuming for the sake of argument, and for the sake of argument alone, that we have hitherto failed to make an impression, an effective impression, upon the parties on the other side of the ocean in achieving the object which we all have in view, does it follow that we Members of the Government, trustees of Indian interests, should, in a mood of pessimism such as I am afraid the speech of my Right Honourable friend indicated yesterday, throw down our arms, quietly retire into private life, give up the trust which is vested in us as custodians of Indian interests, and say " We are helpless in the matter and therefore we had better give up the struggle "? No, as I said, that is not the Punjab spirit. I for one am not going to resign simply because, in the imagination of certain people, the Government have failed in the effort which they have hitherto made in achieving the object which we all have in view. I regard it as my duty, as the duty of the Government of India, even if there has been failure, because of that failure to persist in our efforts, to make renewed efforts in order to bring relief to our countrymen in Africa. And have we failed? Have we really failed, miserably failed, as some people think, in the efforts which we have been making? Well, I regard the very fact of the appointment of this Colonies Committee, which will have the right to negotiate direct with the Colonial Office and will receive instructions from the Government of India as tantamount to storming the outer gate of the citadel. It gives us admission into the citadel; and I believe that the Colonies Committee will achieve, if not all the success that we want, a reasonable measure of success in its effort towards bringing relief to our countrymen in Africa. Sir, pessimism never did any good either to the individual or to any community or nation. It is optimism alone which is the soul of political struggle, and I am one of those who believe that where one's cause is just, where righteousness is on the side of one, he has no ground whatever to feel downhearted, because a satisfactory measure of success may not be achieved in the first or the second or the third battle. I believe that the cause of truth and righteousness is bound to triumph in the end, and in consequence,

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the spirit of pessimism which sometimes unfortunately finds expression in this country ought to be discarded by us all. On the contrary, believing in the justice and righteousness of our cause, we should go forward in a spirit of optimism, in a spirit of tactful statesmanship, which alone, not only in modern times, but to my mind, in all times, has really resulted in the achievement of success. In that spirit we should go forward with renewed vigour and try to bring about a satisfactory solution.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR (Madras: Non-Muhammadan): Sir, in the first place, I should like to congratulate my friend the Right Honourable Srinivasa Sastri on the bold stand he has taken up by his advocacy of asking the Members of the Executive Council and His Excellency the Viceroy to resign their seats if the Home Government does not accept the proposals made by the Indian Government. Is there any other logical course left open for them to take under the circumstances? If the proposals of the Government of India are not accepted by the Imperial Government, then the Members of the Executive Government should resign their seats as a mark of protest, if the bitter pill of inequality and inferiority of the Indian is forced down their throats. Under those circumstances, what is the alternative left but to express resentment against it in a tangible manner? I think the only logical course would be for His Excellency the Viceroy and the Members of the Executive Council to resign their seats, and not to agree to be a limb of that Government which does disregard their advice. Sir, we all feel very keenly on this subject, and I think that had Lord Hardinge continued in office as Viceroy to-day, he would have adopted the course suggested by the Right Honourable Srinivasa Sastri.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Very doubtful.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR: Sir, when the Reciprocity Bill was passed and again now the question that India would be the loser on account of the balance of trade being in our favour was mooted. Where does the question of profit arise when the question of status and honour is at stake? I cannot understand their mentality. I strongly support this proposition and entirely agree with the Right Honourable Srinivasa Sastri who has now voiced the course that was once suggested by Mahatma Gandhi, namely, that, when the proposal of the Indian Government is not accepted by the Imperial Government, the only other course left open for the Members of the Government is to refuse to be a limb of that Imperial Government.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, I take a very detached view of this question I am afraid I cannot agree with everything that has been said here. I am one of those who dissociate themselves entirely from what is called the screaming fraternity of politicians on this matter. I have been very carefully listening to every one of the speeches made yesterday afternoon and to-day, and I do say that in this House, which is fully alive to a sense of its responsibility, I have heard nothing but words, words and words, words which are without substance and without any constructive suggestions whatsoever. That is not the way that a Council like this should behave on an important question. I am really very sorry for the unwise speech which my Right Honourable friend Srinivasa Sastri delivered yesterday and also for the speeches of several of my Honourable Colleagues. I certainly feel inclined to ask them whether by such speeches as they

[Sir Dinshaw Wacha.]

have delivered they can ever help the Government in this important problem of bringing about a right solution. That is the question. What is the right solution? The Government of India have been doing, as you have all acknowledged here, all that they possibly can; they have done their very best. If they have failed in their efforts, is it on account of their weakness or is it on account of the stern opposition of some who have vested interests in South Africa and elsewhere? The Colonial Governments and the South African Union are independent by themselves; and they have like all independent States in the world every right to reject your proposal if they like. Therefore, you should not rouse the sentiment of the people of the Dominions and Crown Colonies by speeches of the nature delivered here. They do no good but the opposite. You have all frankly admitted that the Government of India have every respect for the popular sentiment, and feel very keenly on this question as much as the people. Therefore, I say, the gratitude of the people of India is due to the Government of India for all that they have so nobly and courageously done during the last few years. To say that the Government have failed—they have not failed at all—is mere petulance if not childishness. They have done much and are making every possible effort to bring about a right solution. His Excellency the Viceroy himself in his last speech declared that they are disappointed by the solution arrived at on Kenya as related in the Kenya Paper, and that they are still going to persevere in the matter in order to bring about a satisfactory solution of the problem at no distant date. That being the situation, Sir, is it right on our part, as practical men, as men who have got practical wisdom, knowledge and experience, to go on speaking in the way in which some Honourable Members have spoken to-day? Sir, I entirely dissociate myself from such shriekings and screamings which are only for the consumption of the popular gallery and naught else. I may be wrong; you may attack me if you like saying that "Wacha is wrong"; but I do say, Sir, that none is perhaps more sorry than myself for the speeches made here on this question including the speech of my Right Honourable friend Srinivasa Sastri. I am really very sorry for the speech of the Right Honourable gentleman. I expected from his practical wisdom and knowledge and experience that he at least would guide this House in such a way as to bring about a practical solution of the matter. Now, what is the practical solution suggested by him? Is the solution suggested in the course of the several speeches we heard yesterday and to-day a practicable one? As my Honourable friend Sir Mian Muhammad Shafi asked in a very vigorous, independent, courageous and fearless way, what is the meaning of asking that the Governor General and the Members of his Executive Council should resign? Who will go into their seats? Is it that the Right Honourable Srinivasa Sastri will be the Viceroy and Governor General and Mr. Ayyangar and his friends form the Executive Government and bring about a solution of this problem? Well, Sir, they may make such preposterous suggestions as they like, but are they really practicable and workable? That is not the solution which this deliberative Assembly should at all approve. As to the Resolution before us, I am perfectly indifferent to it. It is really a harmless one. You may pass it if you please. I do not care two straws for it as in my opinion it is superfluous. But what I do say is this, that you must refrain from importing excessive warmth in your speeches regarding Indians in South Africa. I have the same warmth and sympathy as you have for our brethren in South Africa. Warmth and sympathy are not the mono-

poly of a few Members only—it is only a question of the degree of the warmth felt. The degree of my own warmth is 90° Fahr., while that of others even mount up to 212 degrees or boiling point. That is the only difference. But it is really a preposterous suggestion which is put before this deliberative Assembly, which is really a revising body, and which is expected to show its wisdom when people in another place go astray. And I am really sorry, exceedingly sorry, that the Right Honourable Srinivasa Sastri above all, with his knowledge and experience should have been so unwise as to suggest that in case the proposals of the Government of India are not accepted by the Imperial Government, the Governor General and Members of the Executive Government should resign in a body. The Right Honourable Srinivasa Sastri's philosophy seems to be a type with the philosophy of the Epicureans of old whose thesis was that there were no difficulties which were impossible in the world. What we have to do as men of practical wisdom and long experience, is to see what can be possibly done; how far those difficulties which face the Government of India can be solved, and solved in a way which may be deemed fairly satisfactory by the people. All human institutions are imperfect and neither Mr. Sastri nor anyone else will be able to change the destiny of human affairs, certainly not till the Greek Kalends. In human affairs we must exercise practical common sense and wisdom. I earnestly appeal that in this difficult problem now demanding solution common sense and practical wisdom alone should be allowed to prevail and it would be wrong of this Council of State to allow aught else to prevail. In that case I would dissociate myself from it and wish that the Council had better be dissolved at once.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, the Resolution before the House asks the Governor General in Council to take effective steps to prevent the perpetuation of measures in South Africa, such as the Class Areas Bill, which affect Indian interests very seriously. I would first like to say that I feel thankful to the Honourable Sir Narasimha Sarma and the Honourable Dr. Mian Sir Muhammad Shafi for having said that there is no difference of view between the public and the Government in regard to this matter; that with reference to the Resolution itself they view it in a favourable light; but, forgive me for a moment, if I say that I cannot share the complacent optimism with which they seem to view the solution of this problem. I want everyone here to remember that these people are not fighting for theoretical rights; they are not fighting for equality; they are not fighting for Parliamentary franchise; they are fighting for a very small claim which was solemnly promised, and that was, that the rights of the people there should be protected; that their vested rights should not be interfered with. It may be of interest to this House to know that when Mr. Gokhale returned from South Africa after agreeing to the Smuts-Gandhi agreement, the late Sir Pheroz Shah Mehta, and with him the Honourable Sir Dinshaw Wacha both protested that the case of India had been given away by Mr. Gokhale and Mr. Gandhi because they did not stand and fight for the cause of the theoretical equality of Indians and for the right of every Indian British subject to proceed wherever they desired to any part of the British Empire.

THE HONOURABLE SIR DINSHAW WACHA: I still adhere to my previous opinion. Theory and practice are very different in human affairs, and we have always to look to the practical and workable.

THE HONOURABLE MR. G. A. NATESAN: I recognise all these difficulties. I am only telling you of the strong view that Sir Pheroz Shah Mehta took. Mr. Gokhale and Mr. Gandhi were very practical. They realised that they had to fight with a Government that was formidable, so they agreed to a compromise, not to allow any more men from our country to go to South Africa but that those that were there should be treated well. That promise has been broken and therefore we have the right to protest.

Speaking of optimism, a great writer once said, "An optimist is one who hopes for all things and expects nothing." (Laughter.) I fear my two Honourable friends are optimists of that kind. I am optimistic I believe in fighting even against odds, but still it must be remembered that it is not always that patience is a virtue. Patience shown at a time when patience is necessary is to be admired, but patience shown at a time when some stronger quality should be displayed is not a virtue. What is the case now? The representative of the Government of India, Sir Benjamin Robertson, said:

"An undertaking to administer existing laws in a just manner is meaningless, if the rights which Indians are entitled to exercise under those laws can be restricted at will by fresh legislation."

This is all that the Government of India are asked to do, to protect these rights. This is a question of a life and death struggle and counselling patience when any delay or absence of firm action means ruin will, I think, rather injure the cause of the Indians in South Africa. It must be remembered too that General Smuts broke faith in 1907 when he said that he would withdraw the Asiatic Law Amendment Act, introduce voluntary registration, and that prohibition of immigrants should be based on economic rather than on racial grounds, and that it should be brought in by an administrative regulation rather than by a legislative enactment. It should be distinctly understood that now he repudiates that. Let us hear what General Smuts said. He has repudiated other things too. I quote from the proceedings of the Imperial Conference of 1923.

"No Government could for a moment either tamper with this position or do anything to meet the Indian viewpoint. That is why I think the Resolution passed in 1921 was a mistake. I thought it then. I still think it a great mistake. We got on the wrong road there."

Then again:

"I had to stand out but that has made things worse in South Africa. South Africa now certainly sees that she has to stand to her guns much more resolutely than she would have done otherwise. I think we made a mistake in 1921."

My Honourable friend, Sir Narasimha Sarma, quoted the words of Mrs. Sarojini Naidu. While admiring his chivalry, let me point out that there is a strong determined view of a man upon this question. That man was Dr. Sapru and this is what he says. Speaking of General Smuts he said:

"But he would give nothing, consent to nothing, and hold out no hopes. * * * * But as matters stand, he can pursue his even course in the name and on behalf of the whites there and refuse to be dictated to by any outside authority on the ground that South Africa is an independent self-governing unit of the Empire. India on the other hand, is not self-governing unit and its Government is still in the leading strings of the India Office and His Majesty's Government."

Sir, I want you to understand that there are at the present day in South Africa 161,000 people comprising the Indian population, but note the fact

that 1,41,000 are in Natal being threatened with ruin. That is a fact which we should face. That is why I say that in this matter strong and swift action is absolutely necessary. General Smuts, in my opinion, has been guilty of a gross and flagrant breach of faith. He has challenged the Government of India. I hope the Honourable Member and others are aware of the speech he made in South Africa very recently where he said:

"We are masters in our house. We shall not allow the Government of India to meddle in our affairs."

This is the pronouncement made by a great statesman who talked big about the British Empire and brotherhood and yet has the unblushing effrontery to say that Indians are at the mercy of his Government. I consider that it is a challenge to the Government of India, and I hope that the manner and method indicated by the Honourable Dr. Shafi will also be shown in the Government of India's action in challenging General Smuts' statement. Upon the manner in which the Government of India answer the challenge will depend their claim to voice forth the real feelings of the people of this country on this burning question. I need not detain the House any longer.

THE HONOURABLE SIR NARASIMHA SARMA: (Education, Health and Lands Member): Sir, when Sir Purshotamdas Thakurdas asked me last July, after the Kenya decision was announced, to waive the rules and allow a debate on the Kenya question, I readily consented to do so and I am glad that I did permit such a procedure. When the Honourable Mr. Natesan made a similar request a few days ago, I readily and cheerfully assented to a similar waiver and though I foresaw that there would be some misconception regarding the attitude which the Government of India have taken, whether it be with regard to the Kenya question or the South African question, I welcomed the discussion with a view to removing it if possible. I am glad that I did welcome the discussion because the Government have, as I have said, nothing to withhold from the public in the matter of their policy, and feel that they would be only strengthening themselves in any line of action they may adopt by a free, frank and open expression of the views of the people whose destinies they are in charge of. I am glad therefore that the debate, which was initiated at the instance of Mr. Natesan, has proved clearly to the whole world that in this august Chamber of elderly statesmen, there is a feeling of youthful exuberance of passion provoked by the South Africa Segregation Bill. I was criticised for a suggestion I made in my speech in this House that temperate language was consonant with public interests, and it has been observed that perhaps I was wrong in taking such an optimistic view of the sweet reasonableness of our European fellow-subjects in South Africa as to hope that a solution would be readily achieved by the mere use of mild language. Sir, when I suggested a mild and temperate expression of our views, it was because I felt that our cause, yours and ours, is so good on its merits, that we should be only spoiling it, damaging it, by the use of any violent language, because it is invariably considered that abuse and unnecessary strength of language are always employed only in the advocacy of bad cases. There is nothing to be lost by strong and vigorous expression of public opinion and the Government welcome it, and I am glad such a vigorous expression of opinion has been forthcoming in this debate, and I have no reason to complain that the tone has been in any way hostile to the European population in South Africa or to the Government of India. I have never minced matters in expressing myself when I felt strong expression was necessary, and I do not expect

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others either to do it; but, Sir, let us not mistake for strength, unnecessary violence or vehemence in the use of language which might only embarrass the successful course of negotiations and can never improve them, especially when indulged in by a representative of the Government. It has been said that the Government of India policy has been a begging policy, has been a mendicant policy, and something stronger is required if justice is to be done to the claims of our South African Indian fellow-subjects. I should despise myself if I were to ask the Government of India to adopt, on behalf of the 300 millions entrusted to their care, a begging policy, or a mendicant policy, or a policy of asking for favours from any Government, much less from the South African Government. But I do not think that if you tell a man or a Government to pay some regard to justice, sense of equality, sense of fairness in reasonable and moderate language, and ask him to live up to the traditions of his ancestors, to live up to the traditions of civilized men and civilized Governments, that can be construed as a mendicant policy or as a begging policy, simply because the language in which the representations may be made is couched in gentlemanly, moderate and reasonable phrases or phraseology. Sir, I do not think it can be charged against the Government of India that they can ever be guilty of being beggars at the doors of others. They realise the dignity of their position and they maintain and will maintain, God willing, those traditions and will not yield their claims to any Government, whether within the Empire or outside it. It has been said that the only remedy for the removal of these grievances would be fighting for the franchise in South Africa, and Sir Deva Prasad Sarvadhikary has quoted in evidence of that claim the attitude of the Cape Colony Government. There is no difference of opinion between us that the franchise is the only effective protection and that we, as a Government, we as the people of India, can have nothing more or not much to say with regard to the treatment of our fellow Indian subjects in South Africa the moment the franchise is granted. We have been troubling His Majesty's Government simply because the past policy of the Government of India has been responsible for the sending of large numbers of men to South Africa who at present possess no vote. Otherwise it would be a purely domestic question with which the Government of India would never dream of interfering because it would be interference in the internal affairs of a self-governing Dominion. Honourable Members do not seem to fully appreciate the position of self-governing Dominions in the Empire, and under the constitution of the Empire how little interference would be tolerated by any self-governing Dominion whether it proceeded from a sister Dominion from the Home Government, or from the Government of India.

That is the real difficulty of the situation and I think the Right Honourable Srinivasa Sastri, although he must know the exact position, has perhaps slightly exaggerated what could be done and what would be done by His Majesty's Government if they felt that the Government of India were more in earnest. When I said that His Majesty's Government were perfectly in accord with the policy we have enunciated I think I was not wrong because this is what Lord Peel said at the Imperial Conference:

"The Resolution of 1921 stands, but I rest my case not merely upon a formality but upon the broad equities of the case and an appeal for justice and Imperial unity. I am quite aware of the difficulties of South Africa, but I hope General Smuts when he returns, while alive to his own difficulties, will retain a vivid consciousness of our own."

Lord Peel was speaking on behalf of His Majesty's Government. He knew full well that General Smuts stated, or the Minister of the Interior stated in the Union Parliament that they would bring forward a Class Areas Bill. The Government of India made their representations, and His Majesty's Minister intervened in unequivocal terms in asking that General Smuts should be alive not merely to his own difficulties but to the difficulties of the Government of India and the difficulties of His Majesty's Government. And I take it that the policy of the Ministers from all the self-governing Dominions in practically isolating General Smuts—I would not use such a strong expression but at any rate in differing from him in an essential matter in regard to status—must have clearly indicated to General Smuts that the opinion of His Majesty's Government, that the opinion of all the self-governing Dominions and the opinion of the Government of India, were all equally against the policy which he was foreshadowing as being the policy which is likely to be pursued in South Africa. And I do not think that he could have paid a greater compliment to the Government of India than when he complained that we had adopted an intransigent attitude. These are his words:

"But I must say quite frankly that I have been very much perturbed over the attitude adopted by the Indian Government in this matter. They pressed the case against Kenya in a way which seemed to me to exceed the limits of prudence and wisdom, and when a settlement was ultimately made, language was used with regard to it which I think would certainly not help the cause of loyalty either in India or anywhere else in the Empire. The whole incident, as I say, has had a very bad effect in South Africa."

Now I look upon this as a compliment to the Government of India and I may assure General Smuts that the Government of India would not be deterred one inch from the policy that they have laid before themselves in protecting and in order to protect His Majesty's Indian subjects whether in Kenya or elsewhere, whatever may be the temporarily bad effect, whether in South Africa or in the other Colonies. But I would ask Honourable Members at the same time to remember that the constitution of the Imperial Commonwealth is of so fluid a character (as I put it yesterday) that we shall have to remember the difficulties of His Majesty's Government in successfully intervening in a matter of this description. I would not say more because I would not commit myself or the Government of India to a helpless position or to a position in which I would have to admit that His Majesty's Government may not be able to do more, and so I would let the matter rest at that. But this much I can say. What would be the attitude of the Indian Government supposing they were to come to a resolution in the matter of the Bill which has been passed by both Houses the other day, in action being taken thereon and the South African Government were to protest—would not it be said that India has the same freedom as South Africa in the matter? I need not pursue the matter further, Sir, but I think we who hope for self-government should be as keen in safeguarding the protection of our own interests and the interests of our Government in dealing with other Governments as perhaps the Union Government is trying to do at the present moment. But that does not absolve the Union Government, as I said yesterday, from departing from the spirit of the promises which they made in 1914, from the policy which has been pursued by His Majesty's Government when self-government was conferred upon South Africa, from the policy which they tried to enforce during the Boer regime, from the policy which was attempted to be enforced or recommended for adoption after self-government was conferred upon South Africa. We are at one [illegible] that matter

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and therefore it is unnecessary for me to deal further with a question on which there is absolute agreement.

The Honourable Sir Umar Hayat Khan has dwelt upon the question of repatriation. I would take his remarks in the same sportsman-like spirit in which he used the words relating to the government of man in practical affairs by the use of a little physical vigour. Coming to the practical question of repatriation, I should deprecate anything being said here which would weaken the hands of the Government of India or which would weaken the hands of our fellow Indians there in resisting the adoption of measures which may be considered to be measures adopted for the purpose of driving Indians out of South Africa if possible. Many of those Indians are African born. They have as much right both under God's and under man's law to remain there and to exercise their privileges and rights as any of His Majesty's European subjects, and I for one would never recommend to the Government of India the adoption of a policy which would make them forsake those rights and return, not to the land of their birth but to the land of their forefathers' birth, simply because they could not get justice, at any rate temporarily in the land of their birth. But if any of them choose voluntarily to come back to India, I think it is the duty of the Government as well as of the Indian people to do all that they can to make the condition of such repatriates as comfortable, and as cheerful, as may be possible under the circumstances. I must confess that I cannot defend the position of the Britishers in Natal against the attacks of General Smuts and of the Right Honourable Srinivasa Sastri. I fear that in this respect they are departing from their customary traditions and are being guided too much by what they conceive to be their immediate self-interest, and I can only join those who have appealed to their true instincts as Britishers to rise above their environments and join the Government of India in resisting the enforcement or enactment of laws which cannot be justified either on grounds of justice, equity or expediency in the interests of South Africa or the Empire. I do not think, Sir, that we have suffered in this matter by reason of the fact that India has not been self-governing. I looked for concrete suggestions from the House as to how India could have improved her position in South Africa if she had been self-governing, barring perhaps by the adoption according to some, of reciprocity or retaliatory measures which were contemplated by them at the time the Reciprocity Bill was passed. I shall not go into that question. The Government of India have not opposed the passage of that Bill, and barring a faint allusion to what may be done in that way, I do not see how a self-governing India could have intervened more successfully in this matter. On the other hand, as was put by one of the Members, we stand in this advantageous position, that we can invoke, that we have got the moral right to invoke, the support of His Majesty's Government in fighting our battles with South Africa on this question, and I hope that that appeal would not go in vain. The only suggestion, if it could be called a constructive suggestion, was that made by the Right Honourable Srinivasa Sastri that, perhaps our position may be improved if His Majesty's Government felt convinced that the Government, or at any rate, the Member in charge, would resign their or his position, if an adverse decision were come to on this question. A similar recommendation was made for consideration on a previous occasion. I am not surprised, I am not grieved either, there is nothing very peculiar about it. When

people hold strong views, when they are aggrieved, they naturally give expression to those views in a manner which they think might be effective. But we who are in charge of affairs, we who may be supposed to know more of what is going on, may be pardoned, if we are unable to see eye to eye with such recommendations. I felt my position, speaking personally, when the Kenya decision was announced, very uncomfortable indeed. I knew, as a matter of fact, when I was asked to take charge of this portfolio, that I was going in for trouble, but I never shirked trouble, and I am not sorry that that was my policy. But I do feel now that I did the right thing in resisting that temptation, in resisting that demand, in resisting that call, because I feel that I have been of some use to my country by continuing to remain in office. . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: "Of much use, much use".

THE HONOURABLE SIR NARASIMHA SARMA: And you may be sure of this gentlemen, that to one of my temperament, to one of my training, office has very little glamour, at any rate it must have passed away with four years, and you may be sure that no amount of abuse and no call to abandon my post of duty would have the slightest impression upon me if I feel that I can still be of some use. But when I do feel that by adopting such a course as is recommended I will be of greater use, you may be sure that that course will be adopted. But Honourable Members will remember that the Government of India have been unanimous both on the Kenya question as well as on the South African question; there is no difference of opinion at all, and I cannot complain as Member in charge, that there was any difference between myself and the other Members of the Executive Council, though perhaps I should not say that there has been or has not been any difference. But, Sir, speaking for the Government of India, I think my Honourable Colleague Sir Muhammad Shafi has explained the position clearly. We must remember that we are working a constitution with specific limitations, that when we entered office we knew what we were doing, that His Majesty's Government must be carried on, that His Majesty is trying to do full justice as between all classes of His Majesty's subjects, and although we may wish that something more might have been done, still we cannot, occupying responsible positions as we do, but recognise the difficulties and loyally and cheerfully submit to the decisions of His Majesty's Government. And so far, I do not see that His Majesty's Government has told the Government of India that they were in the wrong in the matter of asking the South African Government to adopt an altered policy. I hope that the efforts of this Legislature as well as those of the Government of India would successfully persuade the Union Government to alter their line of action so that they may adopt a policy which will consolidate the various component parts of the Imperial Commonwealth.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: There are two intermediate suggestions that have been put forward and are distinctly mild to which I would draw the attention of the Honourable Member in charge. They are that the Colonies Committee should be stiffened by the addition of strong people who know the situation and that the Government of India should give instructions to that Committee to take cognizance of the South African question.

THE HONOURABLE SIR NARASIMHA SARMA: I have already stated that the Colonies Committee has been appointed primarily for

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dealing with the Kenya immigration problem and for dealing with the problems arising out of the decision which was arrived at last June by His Majesty's Government, and that we propose to ask that Committee to deal with the Fiji problem also. It was a matter of some difficulty for the Government to arrive at conclusions with regard to the composition of that Committee, but they did their level best in getting such a Committee as they felt the circumstances demanded to make their representations and negotiations effective. They felt that new ground had to be broken. It was not a question so much of the strength of the case as that of presenting it, and presenting it through channels which might not provoke unnecessary opposition. Therefore, the Government of India felt that the procedure they have adopted is the right one in regard to the composition of the Committee, and that the best Committee that could be arranged has been appointed, and every one of us has joined in blessing it with success. Whether any change in the composition, partial or whole, is necessary if the Colonies Committee has to deal with the self-governing Dominions, is a matter which will receive due and adequate attention on the part of Government. But anything that I have said must not be construed for one moment as expressing an opinion that the present Committee is not well fitted for undertaking any task that may be entrusted to it, whether in the matter of Kenya, Fiji or any self-governing Dominion.

Well, Sir, I have been told that I am an optimist, and an amusing definition of an optimist has been referred to by the Honourable Mr. Natesan. Well, after all, the school of idealistic philosophy in which he and I have been brought up has perhaps taught us to indulge in such blissful unreal dreams and not to care much for practical politics; but somehow I am not dissociating myself when I use the word "optimism". from practical politics and am not indulging in mere illusory hopes. We have by the strength of public opinion succeeded in persuading the South African Government to modify their policy in some respects, and the exclusion of the Cape Province is an indication that the Union Government is weighing the matter most carefully. What can be gained after all by a pessimistic attitude? Nothing is to be gained by pessimism or throwing up our hands in despair. I shall not say more, Sir. More than one speaker, both here and elsewhere, has alluded to the desirability of Lord Hardinge's footsteps being followed. I claim, Sir, that Lord Hardinge did act wisely and nobly in intervening in South African affairs at that moment, but there is nothing which the Government of India or His Excellency Lord Reading has done which would or can lend itself to any suggestion that all that Lord Hardinge did or attempted to do has not been done or is not being attempted by His Excellency Lord Reading. If there is a misconception on the point, and my attention has been drawn to an article in the "*Hindu*" to show that there is such a misconception, I hope to be able to dispel it. The writer says:

"Let me repeat again, at the conclusion of this brief article, that a gesture from the Viceroy himself,—a public statement by the Governor General in Council.—is needed at this present juncture, if South Africa is to be duly impressed, because there is a fatal idea prevalent that on this subject there is a difference between British and Indian opinion in India; that the Viceroy and his Council are trying their best to modify Indian opinion in favour of South Africa, instead of leading it against South Africa."

I may state, Sir, that there is absolutely no difference of opinion, so far as I am aware, in official or non-official circles, between British and Indian opinion in that justice is on the side of the Indian subjects of His Majesty in South Africa (Hear, hear). There is no difference between any of the Members of the Governor General's Council. Let me not tire you by repeating once again that His Excellency the Viceroy has done and is doing his best, and no further gesture is needed than the example that he has set both on the Kenya controversy and in other matters, to prove that he will put up as big a fight as it is open to a constitutional representative of His Majesty to put up, for the protection and safeguarding of the rights of the people entrusted to his care (Hear, hear).

THE HONOURABLE THE PRESIDENT: The question is that the following Resolution be adopted:

"That this Council recommends to the Governor General in Council to take effective steps to prevent the repeated attempts of the Union Government of South Africa to impose restrictions and disabilities on the Indian community similar to those embodied in the Class Areas Bill, as the proposed measure constitutes a violation of the Smuts-Gandhi agreement of 1911, and would damage Indian interests irretrievably besides endangering the solidarity of the Empire."

The motion was adopted.

The Council then adjourned till Eleven of the Clock on Monday, the 24th March, 1924.

COUNCIL OF STATE.

Monday, the 24th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

MEMBER SWORN.

The Honourable Mr. Alexander Robert Loftus Tottenham (Member, Central Board of Revenue).

QUESTIONS AND ANSWERS.

PAY OF CERTAIN OFFICERS ON DEPUTATION TO THE PUBLIC WORKS DEPARTMENT, DELHI.

169. THE HONOURABLE MR. S. VEDAMURTI: (*a*) Will the Government be pleased to state the substantive pay, in their respective provinces or departments, of the following officers, who are on deputation to the Public Works Department, Delhi, as also the pay they are getting in Delhi, and the reasons for granting the latter rate of pay:

1. Mr. H. E. Parker,
2. Mr. Bahadur Singh,
3. Mr. E. B. W. Grindal,
4. Mr. G. B. Davidson?

(*b*) Why the deputation allowance of 20 per cent., or fixed amount of Rs. 150 per mensem, as the case may be, is not considered sufficient in their cases, and were they not bound to serve the Government on their substantive pay *plus* ordinary deputation allowance (or the special pay, as it is termed in the Public Works Department, Delhi)?

THE HONOURABLE MR. A. H. LEY: (*a*) The substantive pay of Mr. H. E. Parker, Sanitary Engineer in the United Provinces, is Rs. 1,575. He is at present drawing Rs. 1,750, *plus* a special pay of Rs. 150 per mensem at Delhi.

Mr. Bahadur Singh is now drawing Rs. 590 at Delhi, Mr. E. B. W. Grindal Rs. 900 and Mr. G. B. Davidson Rs. 610. The lien of these three officers on their substantive appointments has been suspended and it is not, therefore, known what pay they would have been drawing in their own Provinces, had they not been deputed to Delhi.

(*b*) The pay of the posts held by these officers has been fixed in accordance with the principles laid down in Rules 39 to 41 of the Fundamental Rules.

CREATION OF NEW DIVISIONS AND SUB-DIVISIONS IN THE PUBLIC WORKS DEPARTMENT, DELHI.

170. THE HONOURABLE MR. S. VEDAMURTI: What is the principle underlying the creation of new Divisions and Sub-Divisions in the Delhi Public Works Department?

THE HONOURABLE MR. A. H. LEY: New Divisions and Sub-Divisions are created as the needs of the works dictate.

LIGHTING OF THE ROAD BETWEEN PAHARGANJ AND IBBETSON ROAD, RAISINA.

171. THE HONOURABLE MR. S. VEDAMURTI: (*a*) Is it not a fact that there is no provision for light between Paharganj and Ibbetson Road, which is a main thoroughfare to the orthodox clerks' quarters, Raisina, and which has a dangerous corner?

(*b*) Will the Government please state as to why the road between Paharganj and the Ibbetson Road is not attended to properly?

THE HONOURABLE MR. A. H. LEY: (*a*) & (*b*). The major portion of the road alluded to lies within the limits of the Delhi Municipal Committee. The question of the re-arrangement of the boundaries between the Municipal Area and the New Capital Area at this point is at present under consideration.

EXCESS EXPENDITURE ON THE EASTERN AND WESTERN HOSTELS, RAISINA.

172. THE HONOURABLE MR. S. VEDAMURTI: With reference to Government's reply to my question No. 66 of the 11th February 1924, will the Government please state:

(*a*) Was the excess amount of Rs. 3,18,000 provided in the revised estimate of the New Capital Project? If so, how can this provision be justified, when the original estimate of Rs. 14,46,010 was not provided for in the Project Estimate?

(*b*) How has the remaining excess of Rs. 2,21,416 been or is proposed to be met?

(*c*) What action, if any, has been taken against the officers responsible for this excess expenditure? If not, why?

THE HONOURABLE MR. A. H. LEY: (*a*) A lump sum provision was made in the Revised Project Estimate to cover the anticipated excess on the Hostels and other works. It was not possible to distribute this over each of the works when the Revised Project Estimate was framed. I may add that a sum of Rs. 13,90,900 was provided in the Revised Project Estimate for construction of the Hostels. Certain supplementary items were subsequently sanctioned by the Government of India, bringing the total of the sanctioned estimates for the Hostels to Rs. 14,46,010.

(*b*) The excess will be met from savings within the Revised Project Estimate for the New Capital.

(*c*) The question whether any blame attaches to any officer in this particular instance for the excess over estimates is at present under examination. I may remind the Honourable Member that such excesses are often caused by unforeseen circumstances beyond the control of any one concerned.

SUB-DIVISIONAL OFFICERS IN THE PUBLIC WORKS DEPARTMENT, DELHI.

173. THE HONOURABLE MR. S. VEDAMURTI: (*a*) With reference to Government's reply to my question No. 67 of 11th February 1924, will the Government please furnish the following statement relating to the Sub-Divisional Officers in the Delhi Public Works Department:-

(1) Name of Sub-Divisional Officer.

(2) Educational and technical examinations passed.

(3) Present charge (*i.e.*, name of Sub-Division).

(4) Date on which the Sub-Division was formed.

(5) Date of posting of the present incumbent to the charge.

(6) Date on which the officer was first appointed as Sub-Divisional Officer in the Delhi Public Works Department.

(7) Name and pay of the substantive and permanent post held by the officer, if on deputation from any other Province.

(8) Name and pay of the post held in Delhi Public Works Department.

(9) Total length of service in the Public Works Department.

(10) Length of service in the Delhi Public Works Department on regular establishment?

(*b*) With reference to answer to part (*g*) of my question No. 67, will the Government please state the qualifications required for being appointed as a Sub-Divisional Officer in the Delhi Public Works Department?

(*c*) Are the 6 Engineers, not at present holding charge of Sub-Divisions, qualified to hold the charge of Sub-Divisions? If so, what are the circumstances under which they are not employed as Sub-Divisional Officers in preference to subordinates whom the Government have to pay an additional allowance of Rs 75 per mensem each? If unqualified to hold charge of a Sub-Division, why are they appointed as Engineers?

(*d*) What are the circumstances under which the most senior subordinate has not been appointed as a Sub-Divisional Officer, in preference to his juniors?

(*e*) Is there any Temporary Engineer working under an untrained subordinate, who holds charge of a Sub-Division? If so, what are the reasons of employing an officer of higher rank under an untrained or unqualified officer of lower rank?

THE HONOURABLE MR. A. H. LEY: (*a*) The books giving the information will be shown to the Honourable Member on his calling at the office of the Chief Engineer.

(*b*) Paragraph 90 of the Public Works Department Code prescribes that Sub-Divisional Officers may be Executive Engineers, Assistant Engineers, Upper Subordinates or in cases where no qualified officers of these classes are available, lower Subordinates.

(*c*) All six are technically qualified but three have not sufficient practical experience. None of the six have a good knowledge of accounts and rules, and of the Public Works Department Code. Two have failed on this

account. The three officers who are by practical experience qualified for employment as Sub-Divisional Officers are at present more usefully employed in other capacities on technical work.

(*d*) The man in question is not fit for Sub-Divisional charge.

(*e*) It is presumed that the question refers to a young temporary Engineer who has been attached to a Sub-Division, the Sub-Divisional Officer in charge of which has practical qualifications. If so, the answer is in the affirmative and the reason is obvious.

LIGHTING ARRANGEMENTS IN THE AREA COMPRISING THE ORTHODOX QUARTERS, RAISINA.

174. THE HONOURABLE MR. S. VEDAMURTI: (*a*) With reference to Government's answer to my question No. 71 of 11th February 1924, is it not a fact that the quarters, which are now called orthodox and unorthodox, were formerly termed as Indian clerks' and European clerks' quarters, respectively?

(*b*) Were not a number of the Indian clerks' quarters (now called orthodox quarters) constructed before the gazetted officers' bungalows in the New Capital Area? If so, why are not the lighting arrangements yet complete in the former area?

(*c*) What is the number of persons living in orthodox clerks' quarters, and in the gazetted officers' bungalows, respectively? What are the grounds for assuming that the traffic is not expected to be heavy in the orthodox quarters area?

(*d*) Is it not a fact that there is no provision in the Revised Project Estimate for bringing the lighting arrangements of this area to the same standard as in the rest of the New Capital?

(*e*) Are there any Europeans living in orthodox clerks' quarters?

THE HONOURABLE MR. A. H. LEY: (*a*) The clerks quarters were formerly termed Indian clerks' quarters and European clerks' quarters. When, however, Government were approached by certain Indian clerks for accommodation in European style the terms Indian and European were altered to Orthodox and Unorthodox, respectively, and the building scheme was revised accordingly.

(*b*) The answer to the first part of the question is in the affirmative. The lighting arrangements are not in point of fact complete anywhere. The permanent lighting scheme has not been carried out with reference to the order in which buildings were erected; it has been carried out solely with a view to economy in construction.

(*c*) The information as to the number of persons living in the orthodox clerks quarters and gazetted officers' bungalows is not available. There are, however, about 230 gazetted officers' bungalows constructed and under construction in the New Capital Area excluding the bungalows that have been and will be constructed by private enterprise. There are about 1,450 orthodox clerks' quarters constructed and under construction. The locality in which some of the clerks quarters are situated is not likely, from its situation, to involve much through traffic. This is also the inference from the actual facts in similar circumstances in towns in other parts of India or outside India.

(*d*) Yes. The scale of street lighting is determined by the amount of through traffic anticipated.

(*e*) Not as far as Government are aware.

ALLOWANCES OF MEMBERS OF THE IMPERIAL SERVICES.

175. THE HONOURABLE MR. S. VEDAMURTI: Will the Government be pleased to give a complete list of allowances, including Exchange Compensation, that are paid to members of the Imperial Services and the basis on which they are calculated?

ALLOWANCES OF MEMBERS OF THE IMPERIAL SERVICES.

176. THE HONOURABLE MR. S. VEDAMURTI: Will the Government please furnish a statement showing what percentage of officers in the Imperial Services draw allowances amounting to fifty per cent. of their substantive salary and in how many cases the allowances amount to seventy-five per cent. or more of the substantive salary?

THE HONOURABLE MR. J. CRERAR: I propose to answer the Honourable Member's two questions regarding allowances of Imperial Service Officers together.

The position as regards exchange compensation allowance is explained in the Finance Department Resolutions No. 591-F.E., dated the 29th March 1922, and No. 2657-F.E., dated the 19th December 1922, copies of which can be supplied to the Honourable Member if desired. To furnish the complete information required by the Honourable Member it would be necessary to make an elaborate reference to Local Governments. Government do not consider that the expenditure of time and labour involved would be justified.

As regards the second question, so far as officers serving under the Central Government are concerned, none draw allowances on anything approaching the scale suggested by the Honourable Member.

OVERSEAS PAY AND EXCHANGE COMPENSATION ALLOWANCE GRANTED TO CHAPLAINS RECRUITED IN INDIA FOR THE ECCLESIASTICAL DEPARTMENT.

177. THE HONOURABLE MR. S. VEDAMURTI: Will the Government please state why overseas pay and exchange compensation allowance are given to those officers of the Ecclesiastical Department, who were recruited in India and were domiciled in India as agents or servants of missionary societies before they joined the Ecclesiastical Department?

THE HONOURABLE MR. D. T. CHADWICK: No overseas pay or exchange compensation allowance is granted to chaplains on the Indian Ecclesiastical Establishment.

CONTRACT FOR GOVERNMENT PRINTING.

178. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state the names of the firms, who have now secured the contract for Government of India printing, what are the rates and how do they compare with the previous rates?

THE HONOURABLE MR. A. H. LEY: The contract for the printing of certain of the Post and Telegraph forms, to which the Honourable Member presumably refers, has been given to Messrs. Karim Bux Brothers, Calcutta. The rates are contained in a schedule which runs to more than seventy pages of print; it is obviously impossible to quote these in reply to a question, but I shall be happy to show the schedule to the Honourable Member in my office if he so desires. Owing to changes both in the scope of the contract and in the forms, no exact comparison with previous rates is possible, but the rates generally show considerable reductions on those granted to the previous contractor.

REPORT OF THE NORTH-WEST FRONTIER INQUIRY COMMITTEE.

179. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state when the report of the Frontier Committee is to be published?

THE HONOURABLE MR. J. CRERAR: The Report of the North-West Frontier Inquiry Committee will probably be published by the end of this month.

REDUCTION OF RAILWAY FREIGHT ON COAL.

180. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state whether they intend to reduce the railway freight on coal? If so, from what date, and to what extent?

THE HONOURABLE MR. D. T. CHADWICK: Government do not intend at present to take up with the Railway Companies concerned the question of reducing long distance freights on coal.

THE HONOURABLE SIR ARTHUR FROOM: Is there any question of reducing short-distance freights?

THE HONOURABLE MR. D. T. CHADWICK: A rebate has already been given, as the Honourable Member is aware, on coal despatched from the coalfields into Calcutta for export by sea.

REPORT OF THE TARIFF BOARD.

181. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state when the Report of the Tariff Board will be published?

THE HONOURABLE MR. D. T. CHADWICK: An exact date cannot be given, but the report of the Tariff Board will be published sometime before the special session of the Legislature, which it is intended to summon to consider it.

INDIAN OFFICERS HOLDING KING'S COMMISSIONS.

182. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state in how many years the number of Indian officers holding King's Commissions will reach 100? What will be the minimum number of such Commissions every year for the next five years?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It is impossible to say with certainty, when the number of Indian officers with the King's Commission will reach 100. Ten vacancies are allotted annually at Sandhurst for Indian gentlemen and, provided all the candidates who enter Sandhurst are successful in obtaining their commissions, the number he mentions should be reached in two or three years.

EMPLOYMENT OF INDIANS AS TRAFFIC INSPECTORS ON STATE RAILWAYS.

183. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state how many Indians now hold the posts of Traffic Inspectors (Transportation Branch) on each of the three State-worked Railways (North-Western Railway, Eastern Bengal Railway and Oudh and Rohilkhand Railway), and what was their number before the Government accepted the amendment to my Resolution in this connection on 28th February last year?

THE HONOURABLE MR. D. T. CHADWICK: On the 31st December 1922 the number of Indian Traffic Inspectors (Transportation Branch) on the State-managed Railways were as below:—

North Western Railway	3
Eastern Bengal Railway	2
Oudh and Rohilkhand Railway	4

Since March 1923 the number has been increased by 1 and 7, respectively on the Eastern Bengal and Oudh and Rohilkhand Railways.

No new appointments have been made on the North Western Railway as the cadre of Traffic Inspectors was reduced by four, due to retrenchment.

RAILWAY CONCESSIONS FOR THE CARRIAGE OF MILITARY STORES.

184. THE HONOURABLE LALA RAM SARAN DAS: (*a*) Will the Government kindly state what is the total amount of concession allowed by the Indian Railways to the military department for the carriage of military stores at reduced mileage rate per wagon, as compared to the ordinary tariff rates?

(*b*) Do the Government intend to withdraw this concession? If so, when?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) It is not quite correct to describe the rates charged by railways for the carriage of military stores as "concession" rates. These are all round rates levied whether the ordinary tariff rates are higher or lower. The primary object of these rates is the simplification of the method of payment, accounting and audit and the calculation of differences between military traffic rates and ordinary tariff rates would involve time, labour and cost incommensurate with the results to be obtained.

(*b*) Government do not propose to alter the existing procedure.

MILITARY OFFICERS ON STATE RAILWAYS.

185. THE HONOURABLE LALA RAM SARAN DAS: Will the Government kindly state—

(*a*) what is the total number of military officers employed on each of the three State-worked Railways (North Western Railway, Eastern Bengal Railway and Oudh and Rohilkhand Railway);

(*b*) what is the total amount of deputation or other special allowances, if any, paid to such officers by the Railways, in addition to their regular salaries;

(*c*) is their employment in the interests of the military department?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) There are 22 military officers (all Royal Engineers) employed on State Railways, namely, North Western Railway 17; Eastern Bengal Railway 4; and Oudh and Rohilkhand Railway 1.

(*b*) They are paid at the same rates as civil engineers of the Railway Department filling corresponding posts.

(*c*) Their employment is in the general interest of the country.

SUCCESSFUL BRITISH AND INDIAN CANDIDATES AT THE LAST I.C.S. EXAMINATION.

186. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state the number of British and Indian candidates, who were declared to have passed the Indian Civil Service examination held in London in August 1923?

THE HONOURABLE MR. J. CRERAR: The information is as follows:

British candidates	7
Indian candidates	4

I.C.S. EXAMINATION HELD AT ALLAHABAD IN MARCH 1923.

187. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to give particulars in regard to the examination for the Indian Civil Service held at Allahabad in March 1923, giving details of the number of candidates, who appeared from the different provinces, and also the number of candidates from the different provinces who succeeded in the examination?

THE HONOURABLE MR. J. CRERAR: The information required by the Honourable Member in respect of the Allahabad Indian Civil Service examination which was held not in March but in January 1923, is as follows:

(a) *Number of candidates who appeared from the different provinces.*

Madras	17
Bombay	8
Bengal	30
United Provinces	11
Punjab	8
Burma	*Nil*
Bihar and Orissa	10
Central Provinces	6
Assam	3
Total	93

(b) *Number of successful candidates from the different provinces.*

Madras	2
Bengal	4
United Provinces	3
Total	9

APPOINTMENT OF MUHAMMADANS AS SUPERIOR OFFICERS IN THE IMPERIAL SECRETARIAT.

188. THE HONOURABLE MAULVI ABDUL KARIM: Is it a fact that there is not even a single Musalman superior officer in any of the Imperial Secretariat offices while there are about 20 non-Muslim Indians holding appointments above the rank of Superintendent or Attaché and below that of a Member of the Executive Council?

MUHAMMADAN SECRETARIAT SUPERINTENDENTS.

189. THE HONOURABLE MAULVI ABDUL KARIM: Is it a fact that, with the exception of two, all the Secretariat Superintendents and other permanent officers holding similar posts, numbering about 50, are non-Muslims?

APPOINTMENT OF MUHAMMADAN GAZETTED OFFICERS IN THE IMPERIAL SECRETARIAT.

190. THE HONOURABLE MAULVI ABDUL KARIM: Do the Government propose to appoint Muslim gazetted officers in the Imperial Secretariat, as vacancies occur and new posts are created, and to let the Council know the action taken in this respect every six months?

THE HONOURABLE MR. J. CRERAR: I propose to answer the Honourable Member's three questions regarding the appointment of Muslim Officers in the Imperial Secretariat together. We have not been able to collect complete information, but so far as our available information goes, the position suggested in the first two questions appears to be substantially correct. In reply to his third question I would explain to the Honourable Member that Departments of the Government of India have already been instructed to bear in mind, when recruiting for posts under their control, the policy announced by the Honourable Sir Malcolm Hailey in the course of the debate in the Legislative Assembly on the 10th March 1923, that the Government of India cannot aim at securing the proportionate representation of minority communities, but would take measures to prevent a preponderance of any one class or community in the services under their direct control.

MUHAMMADANS ON THE NORTH WESTERN AND EASTERN BENGAL RAILWAYS.

191. THE HONOURABLE MAULVI ABDUL KARIM: (*a*) Will the Government be pleased to state the total number of employés and the number of Muslim employés, superior and subordinate separately, in the North Western Railway?

(*b*) Will the Government kindly furnish similar information regarding the Eastern Bengal Railway?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) and (*b*). All available information is contained in Appendix B of the Administration Report on Indian Railways, 1922-23, Volume II, a copy of which is placed in the Council Library. No separate figures for Muslim staff are maintained.

SUPERIOR OFFICERS IN THE RAILWAY BOARD.

192. THE HONOURABLE MAULVI ABDUL KARIM: Will the Government be pleased to state the number of Indian superior officers (Muslims and non-Muslims separately) at present employed in the Railway Board's Office and what their number (Muslims and non-Muslims separately) will be when the reorganisation scheme, referred to on page 15 of the Explanatory Memorandum of the Railway Budget for 1924-25, would be carried into effect?

THE HONOURABLE MR. D. T. CHADWICK: At present there are two Indians (non-Muslims) on the superior staff of the Railway Board. One of these shortly vacates his appointment on its abolition. In addition to the above a Muslim Officer has recently been posted to the Board's Office to replace an Officer transferred. The appointments to be made under the reorganization scheme have not yet been settled.

MUHAMMADAN OFFICERS ON THE RAILWAYS.

193. THE HONOURABLE MAULVI ABDUL KARIM: On page 18 of the Explanatory Memorandum of the Railway Budget for 1924-25, it has been stated that on the 1st November 1923 there were 288 Indian officers on Indian Railways. Will the Government be pleased to state how many of these are Muslims and in which departments are they employed?

THE HONOURABLE MR. D. T. CHADWICK: There are 23 Muslim Officers on State Railways who are employed as follows:

Engineering Department	4
Traffic "	19

In so far as Company-worked lines are concerned the Honourable Member is referred to the Classified List and Distribution return of officers, a copy of which is in the Library.

MUHAMMADAN OFFICERS IN THE VARIOUS DEPARTMENTS OF INDIAN RAILWAYS.

194. THE HONOURABLE MAULVI ABDUL KARIM: Is it a fact that there is not even a single Muslim officer in any of the Agency, Loco, Carriage and Wagon and Stores departments of the Indian Railways?

THE HONOURABLE MR. D. T. CHADWICK: The statement is correct. There is at present no Muslim Officers employed on any of the State Railways in the Departments mentioned in the question.

APPOINTMENT OF MUHAMMADANS IN THE AGENCY AND LOCO. DEPARTMENTS OF RAILWAYS.

195. THE HONOURABLE MAULVI ABDUL KARIM: Did Government consider the claims of deserving Muslims in filling up the four additional appointments thrown open to the Indians during the year in the Agency and Loco. departments?

THE HONOURABLE MR. D. T. CHADWICK: It is not understood to what appointments the Honourable Member refers.

MUHAMMADAN OFFICERS IN THE AGENCY AND LOCO. DEPARTMENTS OF THE NORTH WESTERN AND EASTERN BENGAL RAILWAYS.

196. THE HONOURABLE MAULVI ABDUL KARIM: How many Muslim officers are at present employed in the Agency and Loco. departments of (*a*) the North Western Railway, and (*b*) the Eastern Bengal Railway?

THE HONOURABLE MR. D. T. CHADWICK: None in the Superior Grades.

STATEMENT SHOWING MUSLIM AND NON-MUSLIM OFFICERS IN FUTURE EXPLANATORY MEMORANDA AND OF THE RAILWAY BUDGET, ETC.

197. THE HONOURABLE MAULVI ABDUL KARIM: Do the Government intend to show, in future Explanatory Memoranda as well as in Appendix B. of the Administration Report, (Volume II), Muslim and non-Muslim Indian officers separately, as is done in the case of Europeans and Anglo-Indians.

THE HONOURABLE MR. D. T. CHADWICK: The tabulation of the information asked for by the Honourable Member would throw extra work on railway administrations which, in the circumstances, Government are not prepared to ask them to undertake.

NAVAL BASE AT SINGAPORE.

THE HONOURABLE THE PRESIDENT: I have received private notice of a question from the Honourable Mr. Lalubhai Samaldas, to be put provided His Excellency the Commander-in-Chief is prepared to answer.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Yes, Sir.

THE HONOURABLE THE PRESIDENT: Will the Honourable Member read his question.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Will the Government be pleased to say if any agreement which would involve any additional charge on the Indian revenue has been arrived at with the Imperial Government in reference to the naval base at Singapore, or whether any such agreement is in contemplation?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The answer to both the parts of the Honourable Member's question is in the negative.

REPORT OF THE INDIAN BAR COMMITTEE.

THE HONOURABLE THE PRESIDENT: I have received notice of another private question which the Honourable Dr. Dwarkanath Mitter is allowed to put to Mr. Crerar, but I have received no information whether the Honourable Member is prepared to answer.

THE HONOURABLE MR. J. CRERAR: I am prepared to answer it.

THE HONOURABLE DR. DWARKANATH MITTER: When do Government propose to publish the Report of the Indian Bar Committee?

THE HONOURABLE MR. J. CRERAR: On Wednesday, the 26th instant.

BILLS ASSENTED TO BY HIS EXCELLENCY THE VICEROY.

THE SECRETARY OF THE COUNCIL: Sir, information has been received that His Excellency has been pleased to grant his assent to the following Bills, namely:

The Criminal Tribes Act, 1924,

The Repealing and Amending Act, 1924,

The Sea Customs (Amendment) Act, 1924,

The Indian Tariff (Amendment) Act, 1924.

INDIAN FINANCE BILL.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to move:

"That the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax be taken into consideration."

This Bill comes before us with a recommendation from the Governor General and the Governor General has also certified that the Bill is essential for the interests of British India. The circumstances will be familiar to all Members of this House. The original Finance Bill was rejected in another place on the motion to take into consideration. It followed, as it must necessarily have followed, that a recommended Bill was presented which had the object of providing sufficient funds to carry on the administration during the ensuing year. Permission was refused in the other House for leave to introduce that Bill and it now comes before this Council.

The Bill provides just sufficient funds to enable the administration to be carried on; it provides for the balancing of the Budget and nothing more. It provides for the salt tax at the reduced rate of 1/4 a maund. It provides for the existing postal rates, the existing rates of income-tax and for the continuance for a further year of the provision by which the interest on the securities in the Paper Currency Reserve are credited to general revenues. There is only one feature of the Bill to which I need particularly refer, namely, the provision to impose specific duties on splints imported for match manufacture and on imported match boxes. Our existing customs duty on matches is, as the House knows, a high one at the rate of Rs. 1/8 per gross of boxes. During the last few months a situation has arisen in which this revenue, which exceeds a crore and a half of rupees, has been seriously jeopardised. The import of matches into India is practically controlled by two large combines of manufacturers in Sweden and in Japan, and, in order to get behind our tariff wall, these manufacturers have arranged, and are arranging, for the establishment of factories in British India which will

import splints and match boxes and other materials, such as chemicals, for match manufacture, which will come in at the existing tariff rate of 15 per cent. *ad valorem*, the process of manufacture out here consisting in nothing more than dipping these splints. On the Bombay side no less than 8 of these factories have either already been constructed or are in course of construction and practically no orders have been sent for imported matches for the last two or three months. On the Bengal side, the position is not as yet so far advanced, but it is not too much to say that unless this particular provision is passed the greater part of our revenue from the duty on matches will disappear in the course of the next few months. The rates at which the specific duties have been fixed have been carefully arranged so as to give the people who have started this new industry, if such it can be called, an appreciable advantage over imported matches. They will not operate to extinguish that industry in any way but they will secure to us the greater part of our existing revenue from matches. At the same time, this provision will preserve the very useful protection which is now afforded by our import duty to the true indigenous match industry in India which works with Indian material and Indian timbers. The recommended Bill, therefore, does no more than provide sufficient funds to balance the Budget and to protect this one important item of our customs revenue.

I have told the House what the Bill does. I now turn to what the Bill omits. In the original Finance Bill a rate for salt duty was inserted at Rs. 2 per maund. It has now been reduced to Re. 1-4-0. When the Budget was introduced, both the Honourable the Finance Member in another place and I myself, while recognising that the salt tax is one with which sentimental considerations have become involved, did definitely make clear our view of the Government, that it was in the true economic interest of the country that a higher rate than Re. 1-4-0 should be fixed, so as to enable us to make some beginning with the reduction of the Provincial contributions and to enable more funds to be provided for nation-building services. At the same time, it was clearly recognised that in the conditions of the present year a rate higher than Re. 1-4-0 was not actually required in order to balance the Budget. It was not essential for carrying on the administration, and therefore in the recommended Bill a rate of Re. 1-4-0 has been fixed. I must explain to the House again what this means. It means that in the present year we can make no reduction in the Provincial contributions. It means that next year also we shall have to make up a gap of two crores and 16 lakhs before we can even arrive at a balanced Budget. It means, in fact, and I speak here with the full responsibility of the Finance Department, a continued era of the most rigid economy in all Departments. It means that it will be much more difficult for Government to provide funds for those objects which many Members of this House have at heart and which have found expression in recent Resolutions in this Council. Further, the recommended Bill omits certain beneficial provisions in connection with our tariff. I refer particularly to the proposal to reduce the excise duty on motor spirit and the import duty on petrol and the proposal to reduce the rate of duty on certain component parts of cotton mill machinery. These objects are undoubtedly desirable, but it cannot be contended that the reduction of these duties is essential for the interests of British India, and they have, therefore, been omitted. The credit, or discredit, for this state of affairs must rest where it is due, and that is, on those who refused even to consider the original Finance Bill.

[Mr. A. C. McWatters.]

I turn now to some of the amendments which have been placed on the paper. This is not the stage at which amendments can be discussed in detail. But this particular Bill is peculiar. The main principle of the Bill is to provide sufficient funds to balance the Budget and also to maintain our existing postal and income-tax rates. I think, therefore, that I shall not be out of order in giving some reasons for the maintenance of those rates and in showing how some of these amendments would have the effect of infringing the principles of the Bill. I take first of all the proposal to reduce the postcard rate from half an anna to a quarter of an anna. This would involve a direct financial loss of from 45 to 50 lakhs. When the original rates were raised two years ago, the fall in traffic in postcards was something like 20 per cent. The actual figures were 648 millions in 1921-22 and 525 millions in the following year. Some of that loss has since been made up. But even if we assume that the existing traffic will be increased by a full 20 per cent., the loss would, as I have stated, amount to 45 or 50 lakhs. I may mention one point of some importance. It is sometimes assumed that the increase in the postcard rate has affected most seriously the people in the mufassil. Detailed inquiries have been made on this point and it has conclusively been proved that the falling off has been mainly—almost entirely—in the big cities, while the falling off in the mufassil has been comparatively small. But this is not the whole loss. The proposal, as it stands on the paper, is to reduce the rate for postcards but to leave the rate of one anna on letters intact. I need scarcely point out to the House that this is entirely unscientific, and the only result of it must be to divert a certain amount of traffic from the more profitable letter to the less profitable postcard. We anticipate that the additional loss from this would be 10 to 15 lakhs. So, it is not too much to say that the proposal as it stands would amount to a loss to Government of not less than 60 lakhs. In addition, it would be necessary to increase the staff to deal with the extra 20 per cent. of traffic, and yet this extra 20 per cent. would be traffic carried at the most unremunerative of all our rates. But I should like the House to look at the question also from the point of view of the Post and Telegraph Department. Two years ago, before the rates were raised, that Department was working at a loss estimated to be not less than 128 lakhs. We anticipate that during next year there will be a profit of 24 lakhs. And here, I should like to clear up one misconception which I know exists in the minds of certain people. In the detailed statements of the Post and Telegraph Department, the figure of Rs. 111 lakhs is shown as the contribution of the Department to general revenues. But this does not mean that the Department is working at a profit of Rs. 111 lakhs. That figure is due entirely to the method by which stores for the Department are accounted for. They are first of all debited to general revenues and placed in suspense, and subsequently, when required for use, they are taken from suspense and credit is given to general revenues. I will read paragraph 6 of the detailed statement:

"It will be clear, therefore, that the contribution to General Revenues made by the Posts and Telegraphs Department as shown above is composed of two elements—(1) The actual profit estimated during the year as per Profit and Loss account and (2) the amount by which the reduction of the stock balance exceeds expenditure on Post Office buildings, stores, etc. The net figure reached as a result of the transactions under (2) represents the return to General Revenues of sums previously taken from General Revenues for investment in stores."

The actual profit as shown in the profit and loss account of the Department for next year is estimated at Rs. 24 lakhs. But I may say that this figure is somewhat flattering to the Department, for various reasons. In the first place, the commercialisation of the Department has not yet been completed and the Department still does not pay interest on the whole amount of its capital. In the second place, as Honourable Members know, there are large schemes in progress for developing postal facilities in rural areas. These branch post offices cannot be expected for the first few years to work at a profit, and this most desirable extension represents therefore a heavy liability on the Department. In a big Department of this kind also there is a normal increase in the cost of the staff, represented by the annual increments of salaries, which is estimated to be some 12½ lakhs per annum. There is the constant and quite legitimate demand for improving and speeding up services and extra payments for carriage of mails and payments to the Railways and so on. The net result is that the Department at present is working barely at a profit. There is no margin, and it is quite impossible to make a big reduction of this kind without making the Department a burden on the general tax-payer.

I turn now to another amendment in connection with the Postal Department, namely, the suggestion that there should be a reduction in the rates on Book, Pattern and Sample packets. This stands on a somewhat different footing. It is true that we estimate that there would be a loss of some Rs. 10 lakhs if this amendment were given effect to fully. At the same time, in connection with representations which have been received, we are examining this question, because it appears there may be some case for reducing the present rate for book packets. But I will point out to the House that it is quite unnecessary to amend the Finance Bill in order to give effect to any such change. The rates fixed by the Schedule to the Bill are maximum rates, and it is within the competence of Government to make any such change should it on inquiry be found desirable.

I will now turn to the amendment in connection with the Income-tax Schedule. One Honourable Member proposes to alter the Schedule attached to this Bill in order to remove that portion of it which provides for companies and registered firms being taxed at the flat maximum rate. I think that this amendment has been suggested under some misunderstanding. The Honourable Member has probably lost sight of section 48 of the Income-tax Act, which provides that individual assessees are entitled to refunds if on considering the rate at which they are taxable on their total income they have paid at a higher rate at the source. I need not trouble the House with the question of registered firms. In their case it is almost invariably the practice to tax partners direct and the taxation of the firm is purely formal. But in the case of companies, where there are numerous share-holders, the position is different. The taxation of companies at the source is of course a procedure which is practically universal in all countries and is one the advantages of which are obvious. But if you were to tax companies at all sorts of varying rates, it would be extremely difficult to give refunds. You may find an individual assessee who holds shares in a large number of different companies several of which have been taxed at different rates and you can imagine the difficulty which would be incurred both by the income-tax staff and by the assessee himself in calculating the proper refund;

[Mr. A. C. McWatters.]

you may even get the anomalous situation of an assessee with a large income who is taxable at a higher rate than the rate at which some of the companies in which he holds shares have been taxed at the source. The net result of the amendment which has been suggested would be in the long run to leave both companies and individual assessees in exactly the same position as they are at present, but the grant of refunds to the assessees would have been immensely complicated. I hope that the Honourable Member will, in view of this explanation, not wish to proceed with this particular amendment.

I have mentioned these amendments at this stage partly because I desire to show that they infringe the main principles of the Bill, but more particularly because I wish to emphasise to the House the great importance of this House accepting this Bill unanimously and without amendment. It is true that the Bill is a recommended Bill, and even if amendments are passed it does not necessarily follow that they become law. But it does mean, if the amendments are passed, that the House has refused to pass the Bill in the form recommended by the Governor General. The House has here a privilege and a responsibility. I may say it has the privilege of sharing in a great responsibility. Government attach the greatest importance to the unanimous vote of this House in favour of this Bill. They ask for your support. What will such a vote mean? It will mean that this House has given its support to the principle that constitutional progress should be orderly and has refused its concurrence to the dangerous theory that political development can be in any way facilitated by irresponsible and obstructive tactics. This House has always enjoyed a high reputation for statesmanship. It has an opportunity of maintaining that reputation and I know it will not fail now.

THE HONOURABLE THE PRESIDENT: Before the House proceeds to the consideration of the Bill, I wish to say that, though I allowed the Honourable the Mover to deal in anticipation with amendments that have not yet been moved, for the reasons that he has himself given in his speech, I would request Honourable Members not to discuss on this motion the details of particular amendments they may desire to move. I hope my point is clear to the House.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): To-day is the day for which I think this House has been devised. We have to-day to put right a matter without which the country cannot get on, that is, the sanction of the money which has been withheld in another place. I do not think that the Bill, as it has come to us, is a perfect one, particularly, the sum of Rs. 2,000 is a very high figure for income-tax. If that were brought down to Rs. 500 that would have given more money to the Finance Department and equalised the burden between the zemindar and the money-lender, because even though a zemindar gets a very small income from his lands he has to pay a portion to the Exchequer. I have seen the working of the Income-tax Department myself. There are some officers who say that so much money has been earned or the firm or person concerned as profited so much. In reality, it is not so. In the same way the firms or persons actually spend more than they are supposed to do.

I am very sorry that the salt tax has been reduced. I can say this generally that the public is never touched by it: it is entirely a sentimental question. All markets are full of salt which was bought at a particular rate, and they are not going to sell that cheap simply because Government have reduced the duty on it. So, during the whole of the year salt will be sold exactly at the same rate as it is sold to-day. The consumer will not be benefited. The only man who may be affected is the wealthy dealer. From the time of the war onwards the wages of the labourers and others have suddenly risen, but the cost of living has gone down; so that the poor people get more money and live cheap. Therefore, if one more pice is added to the cost of the salt, it is a very insignificant additional expense which deserves no notice. The difference between newspaper politicians and ourselves, who deal actually with the people and know their daily requirements, is that we know that the masses are not really affected by that increase.

As an agriculturist I feel the high duty on petrol. We were very glad when we heard that it would be cheapened because we require it for engines which are used in agriculture. But as we cannot say that it is an absolute necessity, I cannot say anything more on it. All these things, however useful they may be individually, dwindle into insignificance before a big question like the one before us to-day and we ought to pass this Bill unanimously to show that we are politicians of a more ripe experience. There have been parties in our country always clamouring that they want to associate themselves with Government in order to put right their mistakes. All that talk has been wrong, because directly they have come, instead of mending matters they have tried to end them. They have various names, Swarajists and Nationalists. The word "Swaraj" as used in our country means "It has got nothing to do from without." I do not know, then, how people can translate that word into a "system of government on the lines of the self-governing Colonies within the Empire". Even in England the people are misled by men who are sent out from here to advise them into believing that "Swaraj" means self-government within the Empire: they are mistaken in that impression.

12 NOON. I think, Sir, that the parties mentioned above have gone as far as they could in obstruction and I can safely say that if they had it in their power to get this Government out of office they would have done it. Education in these days is expensive and generally those who have got money, that is the commercial classes can get it. They want to do everything on a commercial basis. They think that when they have spent so much on their sons they should not only get that money back but also with interest. So there are many educated people and a small number of appointments, and they can only think of getting rid of the best British officers and taking their places; but whether they could do their work satisfactorily is a thing to be considered. Hitherto some men who have got a stake in the land have considered their position to be strong and they have not combined as others who want to organise themselves so as to get these appointments. That is a particular kind of oligarchy and various mistakes have been made by which people in the country think that Government are going to hand over their power to this oligarchy. For this reason friends of the Government, especially those who have been wavering, have been getting less and less and their ranks have been thinned. That is one of the causes that we have observed.

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Another is that in the Provinces there are men who value their self-respect a bit and they are afraid of coming forward to stand for election and that is why they have not come forward. If some of them have put up their candidates they have put them up for the Local Councils as they had no chance to come into this House. So the other House has been absolutely a sort of prey to the organised party and that is why they have been able to secure so many places. That is one of the causes of their coming in to the Assembly. Another thing is, and I have been told so by very many responsible members that there were many men absolutely on the side of the Government the other day who were either taken away or were asked to absent themselves or were not present. Had they been present this difference of three votes would not have taken place.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Is this in order?

THE HONOURABLE THE PRESIDENT: An appeal has been made to the Council to pass the Bill unanimously and some of the Honourable Members' arguments are certainly relevant in that direction.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: There is another thing. If there is an outgoing power and an incoming power during the time of transition naturally all those who think that the incoming power is strong will try to side with that. Now as that power is with a party people think that Government will soon be handed over to that oligarchy that I have been speaking about and that it is no use to stand by the side of the Government. If I may be allowed, I will just say that this Bill was not rejected on its merits, because the money was sanctioned and then when the time came to pass the Bill, owing to certain tactics, it was thrown out and most of the speeches which were made there were not exactly on the salt tax or some other tax but on a bigger principle, and I hope that I will be allowed a little latitude when I try to say something on that. I may say about the reforms that if Government had kept a good many nominations in hand the people of the country would have thought that they had something to gain from the Government also, and you would have got some men of responsibility into the Councils who may not have been much good at speech making but would have known that nothing could be done without money and at any rate they would have sanctioned the money necessary for administration. Then about making ourselves into a nation and getting Swaraj. It is for this that two parties have united to oppose the Budget by these tactics, so that they may gain their object early. That was the ground on which this Bill was turned down and I hope I may be allowed to speak on this point. India is a continent just as big as Europe, and if any politician can think that the Germans, English and French can become one nation, surely India can become one. Moreover, here there is a difference of religion, difference of language, differences of stamina or strength. Some men come from the fighting races and others do not, and directly there is Swaraj one party will wipe out the other. Then again there is the difference of religion. Some religions are embracing religions; others are non-embracing. Hinduism being non-embracing the Muhammadans could not become Hindus. The only other way is conversion into Muhammadanism. I told the House the other day . . .

THE HONOURABLE LALA SUKHBIR SINHA: Is the Honourable Member in order in referring to these irrelevant questions and matters?

THE HONOURABLE THE PRESIDENT: I did not quite catch the Honourable Member. Will he repeat what he said?

THE HONOURABLE LALA SUKHBIR SINHA: I want to know whether the Honourable Member can refer to these irrelevant questions and matters.

THE HONOURABLE THE PRESIDENT: The position is a somewhat peculiar one. Supplies have been entirely refused in the other House. I am not inclined to restrain debate too strictly.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: If we can get Swaraj then I would not say a word. It was a wrong thing to obstruct the Bill for the sake of Swaraj. I told the House the other day that an attempt was made by a Saint to make these two religions into one but unfortunately a third one, *i.e.*, the Sikh was created. Later the great Moghul King tried to unite the two religions by intermarriages but he could not do it either.

It was only in the time of Aurungzeb that he thought of making the Indians into one people by conversion, but he had not the time to do it. All that I want to show is that, according to our beliefs, Muhammadans must be Muhammadans first and Nationalists or anything else afterwards. We are plainly told this, that the *mushriks* will never be our friends. We have seen that proved in the Punjab where, as soon as we asked for equality of treatment and rights in municipal councils and in the matter of education, etc., it was not only refused to us but some very prominent gentlemen in big cities, who might be expected to be more advanced in thought, resigned their seats on the municipalities as a protest, and the general result is that a great deal of trouble has been created between the two communities. All I want to prove is that it is absolutely impossible to unite the Indian people into a nation. Well, if that is so, what is the outcome? If there is no united nation; if a united nation cannot be made out of all the conflicting elements, because of the reasons which I have put before the House, the outcome is that they cannot get Swaraj. Also, Sir, there is a saying " History repeats itself. " And all those who have read history know that India has always been invaded and invariably conquered during many past centuries. But it is not only a matter of history, Sir. The geographical position of this country has also something to do with it. Take any of the countries in the torrid zone—Indo-China for instance; it is under France . . . . .

THE HONOURABLE THE PRESIDENT: I do not want to stop the Honourable Member unduly, but he really must get through his point a little bit quicker.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: Yes, Sir. Well, going into the East, take all the islands. Turn to the west, all Africa. It is all under the influence of Europeans who are a more vigorous people, coming as they do from much colder climes. With the people here, however, I think it has either something to do with malaria (Laughter)—Well, whatever it is, it is there. The outcome is always the same, that is they

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have been constantly conquered and remained under foreign rule. So, Sir, there are three alternatives left. One is to have a neutral Government such as is now in power. The second is Muhammadan rule such as there was for eight or ten centuries; but they were carrying on the administration exactly in the same way as the present Government. And the third one is to wipe out both of them and have a Hindu Raj. But even then it will be exactly the same. They will again be conquered by some other people and all the progress which we have hitherto made would be swept away. So the best thing is to pass this Bill and retain our present Government. Because, if the Germans, for instance, had come here would they have allowed us to sit here and talk on these various subjects? (Laughter). Then, Sir, if this House did not exist, and His Excellency did not interfere with the decision of the other House, to begin with the official Members here would have been out of employment to-day (Laughter). There would have been no army, no police or anything else. Then if some of these gentlemen who wanted to bring about such a situation were killed or robbed, or if an invader came in and took possession of this country, who would have been responsible? Without money no Government can carry on, and I think we ought to pass this Bill without any amendments and unanimously so as to show to the world, and particularly England, that there is a section of people who want to run the reforms and not to wreck them.

THE RIGHT HONOURABLE SRINIVASA SASTRI (Madras: Non-Muhammadan): Sir, the Honourable Mr. McWatters has made his motion in a speech which, if he would not consider me impertinent, I would say, was characterised by the two admirable qualities of brevity and discretion. I hope in my remarks I shall be discreet. I am afraid I cannot be as brief as he was on the point I shall take up. He appealed to the House to pass this Bill unanimously and without amendment. I am quite willing for my part, Sir, to respond wholeheartedly to that appeal. (Hear, hear). But I must say that the meaning he proposes to put upon such a unanimous and non-amending vote is not exactly the meaning that I would put upon it. He said that a vote of that sort would mean that this House, in view of its position and prestige, had practically declared that progress of a constitutional character should be by steady steps and in well-considered stages. (*The Honourable Mr. A. C. McWatters*: "Orderly was the word I used.") Orderly stages. If he did not use the word "stages" I hope I am quite right in interpreting his mind. (*The Honourable Mr. A. C. McWatters*: "Orderly means without disorder.") I am very pleased that the Honourable Mr. McWatters discountenances disorder but not haste. It appears to me that, apart from what he said, there is a feeling that this House ought to declare itself, if it were possible by its vote on this motion,—ought to declare itself in favour of a steady and ordered progress towards constitutional advance. Sir, it is very difficult without a definite subject being raised to allude with clarity to what took place elsewhere. That, however, I would try to avoid, keeping myself to the task of making the position of myself and a few others in this House who think with me clear and beyond possibility of misrepresentation. I am one of those, Sir, who think that with a few amendments the demand made in another place for definite constitutional changes is one to which, as a lover of ordered progress, I could have given my hearty support. If it had been made in this House and if it had not been made by me, I

would certainly have given it my cordial support. To make matters even more clear, I should say perhaps that what I would have asked would have been complete autonomy in the Provinces, combined at the same time with responsibility in the Central Government, excepting as regards the defence of the country and the Foreign and Political Department. To such a demand, I do not think that a Government that cared for the satisfaction of the wishes of the people and for their welfare should, in the circumstances of this country to-day, have returned a complete *non possumus*. However, my vote to-day, I would specially beg the House, should not be interpreted as meaning that I was in favour of constitutional advance by slow and numerous steps. It means this that I am not willing at this present moment to hamper the operations of Government to the extent that a refusal of supplies would hamper them. I do not think the stage has arrived in this country when serious-minded politicians should take that step; and my principal reason is that His Majesty's Government to-day is a Government in office but not in power, that, besides, they are new to office, and that occupying all the important Cabinet positions, they are more or less in the position of novices looking about for advice and for counsel,—nervous, perhaps, as to how to proceed, and anxious not to be put down as doctrinaires and rash politicians but willing to pay deferential attention to the advice of those who have borne responsibility before. A Government situated like that, it seems to me, is entitled to consideration at the hands of Indian politicians, who wish that their friends should remain strong enough to help them. I much fear that by the action that has already been taken we have embarrassed our friends in England; that the Labour Government have probably been feeling that their hands are weakened, that the advice that they offered to us not to hamper and embarrass them by taking strong steps of the kind that have been taken, has been ignored; they may perhaps feel that therefore they are not in a position to stand firmly and steadfastly by us. It is for that reason that I regret the course that has already been taken, and if in a small measure this House, by a unanimous vote yielded willingly in response to the exceedingly cogent demand made by the Honourable Mr. McWatters, should meet his wishes and pass this Bill without amendment and unanimously, I believe that we shall have done something, although not everything needed, to counteract the undesirable effects which might have been produced.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, this Finance Bill comes to us under very adverse and unpleasant circumstances. I say "unpleasant", because in the critical hour of the fortunes of the country, the Legislative Assembly has thought fit in a spirit of anger to reject the Bill *in toto*. Sir, the Bill was twice presented before that cultured and august body. In its original condition, the Bill purported to enforce or rather impose a duty of Rs. 2 per maund on salt, while it was abundantly clear in the speech of the Finance Minister that the choice to pass the Bill in that condition or in an altered or modified condition was left with the Assembly; and secondly, the Government had committed to be bound by the action which the Assembly adopted in the larger interests of the country. When the Bill was presented for the second time, it had not received the ordinary courtesy of a discussion. Even the Bill was not allowed to be admitted for discussion on the merits. Sir, I only refer to these matters not in any spirit of hostility to our Colleagues in the other House, but I think it my duty, as a Member of the Council of State, to refer to the unfortunate event, because it reacts

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not only on the financial history of this country, but it sullies and contaminates our past traditions and our past legislative history. Sir, I do not want to give expression to any comment which might be resented by my Colleagues in the other House. But I feel that whatever might have been the motive for giving such a summary and arbitrary treatment to a Bill of this important nature, whatever might have been the objective behind their action, whether it was their keen and earnest desire to obtain Swaraj for the country at an early date, or whether they wanted to emphasize their protest in unequivocal language by rejecting this Bill, I feel and I honestly feel that methods of this nature are calculated to injure irretrievably not only the political prospects of the country, but also to shake the very foundations of our economic and fiscal structure. Sir, the far-reaching effects of that course cannot be too severely emphasized. Honourable Members are aware whatever our desire may be for political advancement, and I share that desire equally with all my comrades, that our political evolution should be as early as possible, and that we should have a full measure of responsible government within the proper time. I feel I cannot but deprecate such a policy because I find that from an economic standpoint India has much to suffer, and will suffer, if such policy is pursued in this country. It is not for me to remind my Colleagues that every year we have to borrow large sums of money. We have to raise an internal loan which is called a Rupee Loan; we have to raise an external loan which is called a Sterling Loan. Even this year has been marked out for a loan of no less than 20 crores of rupees. It has not been definitely decided by the Government of India if that loan is to be floated in the country or in England. Probably it will be floated in the country. But just reflect what will be the consequences of such action on the stability of our finances. Do you think, it is likely, that this country will be able to raise these large sums of money not only in this country but also in England if an idea prevails, howsoever anxious and honest our Colleagues may be in the matter of furthering the cause of the country, if an idea prevails and gets abroad that the Government of the country is not stable, that her legislators are not steady and cannot be trusted? Are we likely to get large sums of money for the economic development of the country not only for the progress and advancement of the country but for carrying out even the ordinary expenses of administration? Sir, it must further be borne in mind that a policy like this will ruin the economic fabric of India altogether. There will be no trust or faith in any enterprise. There will be no trust in any new movement for the amelioration of the conditions of the people. There will be no trust in any scheme or any business enterprise that our Indian friends may try to construct or formulate for curing and relieving unemployment in the country and for making matters encouraging for this country. Sir, I endorse altogether the spirit of my Right Honourable friend, Srinivasa Sastri's advice that there should be complete autonomy for the provinces at an early date and that an element of responsibility should be introduced in the Central Government. Nobody can question this, but the delay for the introduction or rather the speedy introduction of these reforms would justify neither our Colleagues nor us in refusing to vote supplies for the ordinary conduct of the administrative machinery of the country. Sir, it is in this view that I deplore the action of the Assembly. I share the feelings that my Honourable Colleagues in the other House have advanced. I wish they had adopted better and more appropriate methods for emphasising their demands, ideas, and their wishes. This unfortunate and obstructive policy which they have now

adopted, instead of doing good to the country, will do incalculable injury to our hopes and to our aspirations. Already newspapers in England have begun to write leading articles condemning the attitude of the country, and what will be the sad effect of all this but to alienate the British people from India, interests and alienate their sympathy for the progress and advancement of the country. It is in that view that I deplore the action of our brother body in having rejected this Bill. I have no wish to dilate any further on this sad and unpleasant matter. The Honourable Mr. McWatters has appealed to our privilege and our responsibility. I assure him that that privilege will be exercised by this Council with that sense of high responsibility which this Council has on more than one critical occasion shown and proved, and I assure him that he shall have our full support and sympathy so far as this Bill is concerned.

Sir, I shall now briefly refer to certain provisions of this Bill not with the object of showing that we shall oppose any of its provisions or that we shall not pass it in its entirety as it has been presented in this Council, but in order to point out how adversely the country will be affected by the persistent and incomprehensible conduct on the part of the Legislative Assembly in having thrown out the first Bill which was more in the interest of the public generally and which would have helped to carry on the business of the country during the next year with greater ease and with larger funds. Sir, I am not exaggerating the matter when I say that the Bill as it has come before us has worsened the measure from the standpoint of the Indian tax-payer. True that the Bill has now been recommended with a duty on salt to the extent of Rs. 1-4 in place of Rs. 2. I shall refer to that matter presently. But as the Bill stands, it affects us considerably and, if the first measure, as originally framed, had been passed, it would have relieved the pressure on the country in certain important matters very considerably. The proposed removal of the import duty on grain and pulse was made on the advice of the Fiscal Commission. That Commission after great consideration recommended that the duty on grain and pulse should be forthwith abolished. It is true that that duty has been suspended for some time past, but it has not been definitely removed from our Statute-book and the action of the Honourable Sir Charles Innes in conceding this was extremely commendable. The duty on grain and pulse was about 2½ per cent. and, though not seriously affecting the trade, its abolition would be welcome on all hands. Next the remission of the petrol duty, as my Honourable Colleagues know, is a somewhat important subject, on which this Council as well as the Assembly have on more than one occasion pressed its demands on the attention of the Government, and that is the much coveted reduction of the petrol duty. In the Bill as originally presented the excise duty was reduced from 6 annas a gallon to 4½ annas. In the Bill as it is presented that concession altogether disappears, a concession which was invaluable in our present conditions of life where motors are not only a luxury but a necessity of business and of trade; that reduction would have been welcome and would have afforded a fair and solid measure of relief to the country. Again, you are aware that the cotton industry in this country is now passing through a cycle of extremely bad times. The industry at present is in a very critical condition. It is the second large industry in India and it may be regarded as the premier industry of the Bombay Presidency, a Presidency whose trade and whose enterprise have made the India of to-day and will make the India of the future. Sir Charles Innes, in his desire to afford some relief to this suffering industry at this critical time had agreed to a substantial reduction from 15 per cent. to 2½ per cent. on all bobbins, healds and other accessories that are required

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in the matter of the mill industry for the purpose of carrying on the mill trade. This concession would have been of great service and of practical value to the mill industry of the country at this juncture. But by the kindness of our friends in the other House,—the friends who at one time were so ready and enthusiastic on public and private platforms for the total abolition of the excise duty and who showed the white feather when the Resolution came up before the Assembly the other day in fleeing from that Resolution—they will realise what great disservice they have done to the country at the present time. Sir, in the same way, the growing gold thread industry, which is largely a cottage industry, helpful to the village people, will have a serious set-back owing to the tactics of the friends of the people in the Assembly. I refer to these matters because they are of considerable importance. This is the first year when Sir Charles Innes has had the opportunity of suggesting lower duties. On the use he proposed to make of that opportunity he is to be warmly congratulated by this Council and sympathy is due to him. But the tactics of our Colleagues elsewhere have prevented the fruition of his wise proposals.

I shall now only refer to the salt tax. When I discussed the Budget I distinctly declared that if the Legislative Assembly will reduce the tax to Rs. 1-4-0 per maund, this Council will not stand in the way of their decision and will help them. A splendid opportunity which that body had of rendering to the nation and to the Indian Empire a great service in this matter has been unfortunately and capriciously thrown away. However, we are extremely grateful that His Excellency the Viceroy has been guided again by his usual wisdom and statesmanship in the matter and that he has sent this Bill to this Council with a recommendation that the duty should be Rs. 1-4-0 and not Rs. 2-8-0. This Council and the country cannot be too grateful to His Excellency. I do not personally believe, Sir, as I have said more than once in this Council, in the economic argument againt this duty. But I consider that the step that has been taken is an exceedingly wise one, because it will extinguish to a large extent the political ferment in this country and will cripple the hands and the authority and opportunity of the agitator who would have made this duty the pretext for carrying on further agitation in this country. At the same time I cannot but deplore the loss of a big revenue. I cannot face with equanimity the loss of Rs. 6 crores a year which is going to be our recurring loss in the future. In 1924-25 and 1925-26 our loss will be a little over Rs. 5½ crores. This heavy loss in the absence of other resources to recuperate our waning finances and our reducing income it is difficult to contemplate with any sense of equanimity. Further, this duty of Rs. 2 per maund would not have in any way seriously affected the poor and the ill-provided. On the other hand, it would have given a reasonable amount of money to Government for the relief of provincial revenues, a measure which would have been welcomed by the provinces in their present hard financial condition and would have helped them to tide over these critical years which they have to face. I warned my friend the Honourable Sir Basil Blackett the other day not to be too sanguine of our resources for the next year. I do believe that our revenues have not been rehabilitated to that extent which will be a dead wall in future against all deficits and which will enable the Government to carry on the administration of the country with due regard and attention to the sanitary and educational needs of the country. I fear that is not going to happen. I do not know whether the deficit of Rs. 38 lakhs which was contemplated this year has been already adjusted or not. At the same time there is another danger in these constant changes

in duties. The consumer prefers a steady percentage of duty to these constant dislocations even in the matter of taxation, and any one who has read any book on taxation must have noticed that the financiers regard with great regret and great apprehension constant changes in the fiscal tariff of any country. However, I do not regret the occasion. I think a great opportunity has been given to the country by the reduction in the salt tax in the matter of removing discontent and as a preventive to the sinister activities of the professional agitator. It is for this reason that I welcome this Bill, unsatisfactory as it is. I agree with my friend the Right Honourable Srinivasa Sastri that this Council should not press for any amendment at this juncture and that it should give its loyal adherence to this Bill as it has been presented to the Council.

Sir, there is one other matter to which I should like to refer before I resume my seat. It is in connection with our requirements, our monetary requirements in England in respect of which we make remittances from this country. I do not know if Honourable Members have noticed the change in the policy of the Government,—a change for the better, a change in the interests of the country. In paragraph 60 of the speech made by the Honourable Sir Basil Blackett he had made reference, brief as it was, to the new procedure introduced in the course of the last twelve months of sending remittances to England partly by the sale of Councils in London and partly by the purchase by the Government of India of sterling through the Imperial Bank of India. I find that he had also made a brief reference on the subject in his speech to the important Associated Chambers of Commerce which he addressed shortly in Bombay. I will just let you know the volume of our remittances by briefly drawing your attention to the fact that since the 1st April 1923, nearly £21 millions have been remitted to London. Of this amount £6¼ millions were remitted according to the time-honoured and traditional system of Council Drafts, and a large sum of £7½ millions was remitted by the recently introduced policy of purchasing sterling for rupees in India through the Imperial Bank of India. That policy has already received approbation and generous approval from the commercial communities of Bombay, and I congratulate the Honourable Sir Basil Blackett on this achievement. The people have expressed their approval, but I should like a little more light to be thrown on this subject. I personally feel that the Honourable Sir Basil Blackett will welcome the opportunity of taking the Council into his confidence and giving us full and exhaustive information on the subject, and I feel certain that that opportunity, if availed of by the Honourable the Finance Member, will be very much appreciated not only by the Council but by the commercial communities of India.

Sir, I shall not detain the Council any longer. So far as I am concerned, and I am sure it is the unanimous wish of my Honourable Colleagues, I say that whatever our grievances may be, whatever our dissatisfaction may be with the Government of India over certain matters, howsoever they may have disappointed us in some matters, we shall not on this occasion withhold from them our support, and we shall give that support most cheerfully for the conduct of the administration of this country.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): I really owe it to the two Honourable intermediate speakers who have restored this House to the composure which was necessary from my humble point of view to enable my few remarks to be received by the House in the spirit in which I wish to offer them. I am willing to observe certain limitations on the speaker,—time, relevancy and particularly, the

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temperament of the House. As to time, perhaps, though I was at one time labouring under the impression that most Honourable Members would be willing to spare more time for the speeches of those who may not have already spoken, I have no grievance. I shall limit myself as much as possible within the short time that may be assigned to me. I know, Sir, that you have been indulgent to those Members who have adorned this House long before I arrived here, and you have encouraged me as a newcomer here, and I offer you my thanks, this being the last occasion on which I may find you in this Chair. As regards relevancy, I find that those who belong to law, have often learnt how to make a point relevant, but I am afraid that it is not so much the motion before the House directly that is responsible for the speeches at all as perhaps what is said by individual speakers from their own point of view, which the successive speakers seek to controvert. I shall try to desist, as far as it possibly lies in my power, from referring to points which are really not relevant to the subject but merely rake up certain matters which I would not place before the Council on the principle of *audi alterem partem*. Never condemn persons unheard; never speak about people who have no chances of replying to us. People living in glass houses must not throw stones at others. I shall, therefore, content myself with a few observations on certain matters.

I would like, if permitted, to enlighten the House as to what the expression " Swaraj " means. I am not going to define it. I have been learning the literature for the last eighteen years, and one of the best members of the judiciary was called upon to decide what that expression meant. But it will suffice for me to say that we are so familiar with the expression " Swaraj " as to find the very word in the Royal pronouncement. It does not therefore lie with anybody to say that hereafter he cannot assign a proper meaning to the expression " Swaraj ". But I may hold up the finger of caution to those who by its incorrect pronunciation understand it is " Sivaraj ". Nothing of the kind. I can assure Honourable Members, if that august personage Shivaji were to come down to us and say, " Appoint me a monarch of all India ", we will not do it, we democrats will not do it. We will not allow any particular individual to come up and ascend the throne as Sivaraj or anybody else. Honourable Members may rest satisfied that the expression " Swaraj " has got nothing whatever to do with that meaning which perhaps may be derived from a wrong pronunciation of the expression " Swaraj ".

I now come to the matter of the solemnity with which the proceedings of this House ought to be conducted. That is my limitation. While going through the literature of the past meetings of this Council I came across a certain discussion due to a motion made by the Honourable the Leader of the House. I would not refer to it but for this reason that at one time (I hope the President will allow me to say so) the President was good enough to observe "As Sir Edgar Holberton pointed out the members of this Chamber are also not young men. They are possibly not entirely decrepit. Still they are on the verge of decrepitude" (Laughter). I never realised it. I must confess until I found that a very very salient, cogent and inoffensive statement made by the Right Honourable gentleman while dealing with the question of South Africa perhaps unnerved some of my best friends in this House. I do not know what they would have done had they been in the other place to which they have been making occasional references.

1 P.M.

I would only point out that, though we may be thought to be not quite decrepit but verging on decrepitude, I assure you, Sir, we have not lost our heads and that we have got sound bodies and sound minds. Even assuming for the moment that some of us do not have sound bodies, they carry good heads on their shoulders and it is in that spirit that we approach this Budget or rather this Budget approaches us. Reference has been made to the attitude of the other House. I am not here to defend them. They do not require our assistance. They are sure of their own position in the country.

THE HONOURABLE SIR MANECKJEE DADABHOY: So are we sure of ourselves.

THE HONOURABLE MR. R. P. KARANDIKAR: Quite right. I only like to refer to the history of this Budget and Bill. I would not take you long into the history because historians are never brief and sometimes they are as brief as the longest document in the case. But I would ask you to consider this. Who was it that drew or rather threw certain individuals into the fold of other men? People have been referring to Lord Olivier's speech now and again and they have been quoting it often. Lord Olivier's speech, I take it, is as blunt, straight and honest as a Labour pronouncement can be. What I want to say is that in that speech Lord Olivier has said that certification was rightly regarded as a slap in the face. And who was it that received the slap—not the Swarajists. They had not appeared on the scene then. And the law of retributory justice has come in in the dispensation of Providence. Those that advised the Viceroy then to certify in the face of opposition have no reason to clamour because of the attitude taken up by the other House. There may be excesses. Who is free from excesses? I would therefore ask this House to dispassionately consider the position. I am a Swarajist and I will say what I would like to say in the interests of the public. It was not the sole desire of those who struck off this Bill to assert their party feeling because the Swarajist section, if they had not been supported by the other party would have done very little. I can guarantee that. Honourable Members who were present there will bear out my statement. The position of the Swarajists in the Assembly now is the same as the position of the Labour party in the House of Commons. One section cannot do anything without the help of the other, and when people unite to make a common cause is it because commonsense has left them? Because they have run wild like that, the wisdom of this Council is proclaimed to the world. We may accept it. Because they have thrown out, we have a chance of approaching this Bill and I welcome the announcement of the dire necessity of supporting the Bill as it is. I am not referring to my amendment at this stage and I will not refer now to the criticism made as to the difficulty of accepting. I will give thought to the matter. I know that this Bill has not been sanctioned by the elected representatives of the people, but I am willing to take thisBill as a Bill proceeding from the trustees. They may be the self-appointed trustees but it serves my purpose, as long as they are the trustees of the people. I believe they are and in that spirit I welcome the Bill. This Bill is ushered in to us by two guards, one is certification and the other is recommendation. We respect them all and when I reflect for the moment that it is a trustee's Bill I am anxious to see whether that is consistent with the attitude of the trustees who will hand over the charge of the trust in course of time as they proclaim from time to time, and in this behalf and in these circumstances I am looking forward to see whether the trustees have refrained from making

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any very radical changes in the Budget, and from that point of view I welcome the decision to defer separation of the Railway Budget from the General Budget. The Railway Budget, as was pointed out the other day in connection with some other Resolution that was before us, refers to the revenue and expenditure of a certain department. If every department for the matter of that were to claim to earmark for itself all the profits, where is the money for the treasury to come from? It is inconsistent with the principles of public revenue to allow every department to have earmarked to itself all its profits for the progress of its own transactions. However much I sympathise with the object of the separation of the Railway Budget from the General Budget, I know that the Railway Department is hampered by what is known as lapses. I am not quite sure that in subsequent years the lapses have been ignored or the deficient funds not made available to the Department concerned. I have not come across that and possibly my remarks here may not be quite correct, and I shall be quite satisfied if I am referred to some public literature on the point.

As regards the depreciation fund, for instance, it is absolutely necessary, but provision could be made for all these things, and before the country decides to separate the Railway from the General Budget many more cogent reasons would certainly have to be given to satisfy the country that the change is advisable in the interests of the tax-payer. Railways, for instance, which have so far been supported by the tax-payer should not be too forward in suggesting that they should now cut adrift from the trammels of the public exchequer. Those that have been enriched in times gone by have to support the Departments concerned. That is another matter for consideration. But I am anxious that no such differentiation ought to be permitted, because I am afraid that this would be a case of another Military Department. We have already been deprived of the control over the Military Department. That was possibly because we have no experts, and we have no experience of railways. But what is being done to make the people able to shoulder these difficulties and responsibilities? Feeder lines, in the nature of a kindergarten system, ought to be set up; syndicates and boards ought to be formed from whom it might be possible to select Agents of railways and to fill higher posts in that Department. What has been, what is being done, in that direction?

The same is the case with the Military Department. I do not wish to tax His Excellency the Commander-in-Chief's memory—he has been sufficiently taxed in the other House. But it struck me, while going through the literature which he has been kind enough to supply to us, that the police are the handmaids of the military in the internal administration of this country and the military have to look to external enemies or friends perhaps from whom we will desire to be saved. What is this trouble about? I know, Sir, that there is a small strip of land known as Waziristan, which lies between two powerful nations, which has been troubling the Military Department for a number of years. Perhaps it is less now than it was. But how is that difficulty to be got over? By the determination of boundaries? We have been treated to literature bearing on this point culminating in the Durand Boundary Commission. But who will eventually determine the boundaries of India? Would it not be the people of India who ought to determine it? I know that under rule 72 of the League of Nations the qualification for membership is stated to be that if the boundaries of a nation are not fixed and their finances sound they are not eligible applicants for entry into the League. Can we not make India capable of

entering the League of Nations by enabling her to determine her own boundaries? But it is said that is a scientific matter. But wherein does the science lie? It is the science of expenditure. Why wait for that scientific boundary? Can we not arm our own countrymen, our own brothers who are frontiersmen and as loyal as anybody else could be? Can we not ask them to protect their own hearths and homes instead of stationing the military over there? I am just reminded of a statement on this point by Coleridge. He says that if you have external protection extended internal self-government suffers; if you protect internal self-government there is no reason for external help. But I say why cannot we arm our loyal fellow subjects on the frontier and ask them to protect their own hearths and homes and the rest of India? That is a thing which is absolutely necessary under the existing conditions. It may be said, never mind, I will give the Military Department double the money that they want, (*His Excellency the Commander-in-Chief*: " Hurray ! ". Laughter.) Provided you do not allow another General Smuts to say what he has said. General Smuts is reported to have said to the face of Dr. Sapru: " Here, you have a small British community, a handful of settlers, who find themselves pitted against the mighty Empire of India—surely it is mighty since 50 per cent. of its revenue is going to the military who find themselves against overwhelming forces and who, although they are the most loyal community in the British Empire, consisting mostly of *ex*-army men, had in the end to go to the length of almost threatening force in order to maintain their position ". I would have liked to appeal to His Excellency and asked him to make a gesture to these people that no threats of this kind are welcome. Is there not His Excellency there who would say to the people outside: " Why are you talking like that? Threatening whom? Great Britain? For whose sake? India's? And is not our Military Department such as to strike terror into the hearts that humiliate India "? But it may be, the Army in India is not the Army of India. But I will venture another supposition. I should think His Excellency was also permeated with the thought that India is always generous. Take the statements flung at us outside India. " Those people have now lost their heads in India ". It is those Kenya settlers who are presuming too much. Little did they know at that time that there was an Army in India under the efficient command of His Excellency the Commander-in-Chief. Whatever that may be, it is not necessary. India would have sent out troops over there if England wanted it. India has no navy. But I deprecate any idea of that kind. I deprecate a discussion of this kind, inasmuch as I would deprecate the thought that the Kenya settlers were going to frighten us. I myself did not believe that for a moment, but when I went through the speech of General Smuts then I had to believe it. If that is so, let us consider in what way we can help the Government. There are three ways. One is to supply money for the purpose of replenishing the Treasury on account of the deficit caused by this stupendous military expenditure. But are the people of India going to be sacrificed? I am quite at one with those Honourable Members who have been, I will not say very lavish, but very considerate in giving praise to the Government of India. The difference between these Liberals and the present Swarajists consists in this, that while according to the methods of the old days, the Liberals would have moved a Resolution saying, " While congratulating the Government, on so and so, this meeting urges on the Government so and so " in their present mood the Swarajists would say, " We know all that, we have been enjoying all these, what is the good of telling the people that we have

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been enjoying all these benefits, we want to go straight to the point ". I am not at one with those who consider that the attitude of the other House was entirely unreasonable. I will not reproduce the very precious remarks that have fallen from my Honourable friend, Sir Maneckji Dadabhoy, while speaking on certain matters, he has been flinging at this and that and using expressions; if he had used a single one of such expressions outside this House, in public, he would have learnt the fruit of it. But I am not here to support anybody. What I am anxious about is that we have to avoid all these things, particularly on a Resolution on which we want unanimity. We want unanimity. But unanimity in what? What is the good of raking up old history?

What I wish to say about this salt tax is that it is obviously clear that it is very difficult to agree with the first Honourable speaker that it should have been Rs. 2 and that there was a large quantity of salt in the market. This subject has been taxing the brain of every Indian and I know of every British statesman. I have just looked up what was presented to Parliament in 1853 as being the religious view of the Company's Charter. In 1853 what was the condition of the salt duty? The tax on salt was heavy. It is from that time onwards up till now that I find that not one-tenth of the attention which used then to be given to the subject has afterwards been given. It is very necessary for the Indian people to have pure, wholesome salt, to avoid diseases that undermine Indian health. In the matter of the sale and strength of spirits we have been devising means to secure purity. We want to have it in our power to regulate the sale of salt and therefore the tax, not for revenue, not to punish people; and in the matter of salt we want to take steps so that people who eat salt may depend upon having pure, wholesome salt, which is a necessary ingredient. In days gone by imported salt was taxed much more heavily than salt manufactured in India. Then the whole salt tax was brought up to the same level. People were accustomed to look upon it with equanimity. Then it rose again gradually. That is the policy. We have merely to check that policy. We want to see for ourselves whether imported salt agrees with the people and if so, whether it has to be encouraged, and to be encouraged on what conditions; and if it were possible for me to argue upon the Bill on the basis of Rs. 2 per maund, perhaps I would have suggested that Rs. 2 might be maintained for imported salt, while the duty on salt manufactured in India must be still further lowered. Only 5 or 6 annas a maund are needed for maintaining the establishment for enabling the people to have pure salt. The extra money goes into the Treasury, and I am happy to find that the Government of India have seen the wisdom, after all, of reducing the duty to Rs. 1/4, and I congratulate the advisers of His Excellency the Viceroy on coming to this decision. Some Honourable Members have referred to the Legislative Assembly as the " other House ". I want to point out that the Assembly is a part of the Legislature, and why not say in reference to them, " the Assembly ", why say, " the other House " as if it was a foreign body? I say it is our Legislature; both go together. If they march on forwards, we can follow them in establishing a better system of civil government. Why find fault with them?

Sir, I have great pleasure in welcoming this Bill; and when the time comes, we shall consider the propriety of the amendments which will be put forward.

THE HONOURABLE MAHARAJADHIRAJA SIR RAMESHWARA SINGH (Bihar and Orissa: Non-Muhammadan): Sir, I rise to support the Bill and to express

a strong hope that the Council, realising to the full its responsibilities, will accept it as it stands without any hesitation.

The actual Bill leaves less to be said about itself than one had hoped a few days ago. It has necessarily been so scrupulously cut down to the barest of bare essentials that comment may well be more appropriate as to what it has had to omit rather than what it contains. The Bill as it stands has necessarily left all users of petrol with their old grievances, which they will no doubt continue to urge, about the high price of petrol in India compared with the price in the United Kingdom and other places further than they are from the source of supply, and it has also prevented a discussion on the reduction of Provincial contributions, which must have been of the greatest interest.

I am very glad that the hope I had expressed last year that the salt tax would be a matter of a year or two only has materialised so soon and that it has been brought down to its former incidence.

We must all hope that the apprehensions of the Finance Department will not be fulfilled and that the reduction of revenue in future years through this reduction of the salt tax will not seriously embarrass the finances of the country nor prevent the question of some reduction of Provincial contributions being raised again next year.

THE HONOURABLE THE PRESIDENT: I think this is a convenient opportunity to adjourn the House.

The Council then adjourned for Lunch till a Quarter to Three of the Clock.

The Council re-assembled after Lunch at a Quarter to Three of the Clock, the Honourable the President in the Chair.

THE HONOURABLE SRIJUT CHANDRADHAR BAROOAH (Assam: Non-Muhammadan): Sir, the novelty of this year's Finance Bill is in the procedure adopted for its passing. Being twice rejected by the Assembly it at last comes to this House as a recommended Bill. I do not like it. I am really sorry for this. I would have been very much pleased if the Bill had been discussed, amended and passed by the Assembly and then sent to this House in the usual course. But, Sir, the circumstances that have necessitated the adoption of an extraordinary procedure for the passing of the Finance Bill for 1924 have a lesson to teach, and I hope it will not escape the attention of the Government. It is this, that we should first read the signs of the times and then regulate our movements in conformity with them.

Sir, it is suspected in some quarters that those who rejected the Bill in the other House are the enemies of the Government and that they wanted to wreck the Government. I am not a Swarajist myself. I do not hold his views, nor do I hold any brief for him, but, Sir, I think I must say in justice and fairness that I am one of those who believe that the Swarajists did not want to wreck the Government but to mend it. Sir, among them there are men of brilliant parts, of exceptional abilities, eminent lawyers, persons of great integrity and strength of character, people who have made vast sacrifices for the sake of the country, some of the foremost leaders of public opinion and some of the best sons of India. These people knew perfectly well that, in spite of their rejecting this Bill, the Government of India would go on just as before, and that they would not be at a standstill for

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want of money. By rejecting the Bill they simply wanted to show their protest against certain actions of the Government, but by no means to wreck it or to put a stop to it altogether or even to obstruct it in any material way. For we have seen that their action has not been and cannot be a real obstruction to Government at all.

Now, Sir, apparently whatever difference of opinon there may be between these people and those who do not belong to their school of thought, it cannot be denied that their ultimate object, their main goal, is the same as ours. They want complete self-government. We want the same. They want to protest against any action of the Government which is likely to be detrimental to the early attainment of Swaraj. We do the same thing exactly. They want to bring back the Government to the right path, whenever they think they are going astray. Well, Sir, I am sure every Member of this House, every well-wisher of India always tries to do the same thing. But while we want to do these things by persuasion and co-operation, they prefer non-co-operation. We hope that it may yet be possible to persuade the Government to see things eye to eye with us. They, on the other hand, are tired of our old methods, have lost all faith in them, have rejected them as fossilised and stereotyped, and have adopted new ones, which alone they think will be able to carry them to their goal. Sir, this is the only difference that I see between these people and those who think like myself; and this difference of opinion is due to the fact that different persons have different temperaments and therefore different ways of doing the same thing. One man may not be able to bear an injustice or a supposed injustice just as another and perhaps therefore may adopt means to remedy it which the other perhaps never thinks of.

I venture to think, Sir, that at least to some extent the Government are responsible for the present situation in respect of the Finance Bill. The Assembly wanted a Round Table Conference. The non-co-operators said that they would not co-operate, but they did co-operate and asked for a Conference. Now, I am fully prepared to believe that it was perhaps not possible to give all that was demanded; but I fail to see what harm there could be, if the Government said " All right, we give you a Conference." Then after the Conference, if the circumstances justified it, they could give us one small instalment of reforms; that would then be only just and proper; that would also be statesmanlike. But, if the circumstances did not justify this the Government could tell us quite frankly and candidly, " Here are the facts, look at the facts yourself and see that it is not possible for us to give you anything now. You must wait for some time more." But, Sir, the Government did not see their way to do this.

I will take another instance. We all want the Government to reduce the military expenditure by substituting Indian officers for the British. The Government say, " All right, we will do it; we are doing it gradually. We have given you a College at Dehra Dun for your training." Now it appears that by that process it will take 200 years to accomplish the object. Sir, this is the way of doing things which leads people to the assumption, the somewhat uncharitable assumption it may be, that you never really mean to do what you promise.

These and similar other things are doing incalculable harm. Sir, we are in close touch with the people. The Government always labour under the colossal mistake that they know more about our people than we do. The Government get their information from the subordinate police and the

subordinate officers of the other departments, who are not in the confidence of the people; while we, Sir, are of the people, of their own flesh and blood; we live with them, we mix with them, we move with them in every sphere of life. We know infinitely more about our own people than the Government do, and I can assure you that the Government are daily losing the confidence of the people. Sir, by people here I do not mean the educated, the agitating, the politically minded few, but I mean the uneducated, the unlettered and the most simple minded masses of India. We can feel the pulse of the people. When the Government wanted to enhance the salt duty, we knew that the people would not like it. We were able to foresee the consequences; and we opposed the enhancement. Nevertheless, the Government increased the duty. The people found with great amazement that although their leaders had said, although the Government had said that the Reforms would do them good, without giving them the slightest relief, one of the first things done under the Reforms was to increase the price of their salt. We shall perhaps be told that now that the salt tax has been reduced, we can freely go round the country and tell the people, "Well, it was an emergency tax. The emergency is now over and the Government have removed the enhanced tax" and that the people will accept the explanation. Those who say so do not realise our position. People believe that it was with our co-operation that the Government enhanced the salt tax last year; so, they do not believe us now as they used to do before. This is our position in the country now. This is to what it has been reduced by the action of the Government. As regards the reduction of the tax now, I am sure the credit for reducing it will neither go to the Government nor come to ourselves. It will go to some other quarters. The people will say that no sooner had the Swarajists entered the Council, they at once brought down the salt tax. The credit will be theirs. Sir, it was said this morning that the objection against the salt tax was sentimental. That may be so. But I beg to submit that sentiment plays a great part in human affairs. This has been one of the effects of putting down this sentiment. There is another to which I shall allude. It is the enhancement of the salt tax which brought into your Assembly and into your Councils a formidable party of men, sturdy men, to oppose you, to fight you and to obstruct you in everything you propose to do. This is again the effect of putting down the sentiment of the people.

My point is that Government are losing the confidence of the people. That is really a very serious matter indeed, and, if things continue to go on like this, I am afraid that in a very short time there will be left very few people in the country to co-operate with the Government; and without the co-operation of the people, the task of governing the 300 millions of this vast continent, from a distance of seven thousand miles by water, will, to say the least of it, be quite impossible for the handful of white men of a small island.

Now, as regards the Bill, Sir, I think this House will pass it. I am very glad indeed that the salt tax has been reduced to its former level; and I thank the Government for this. Some Honourable Members have put in amendments to reduce other taxes as well. I wish them success. I do not know whether the amendments will be passed or not. I am afraid that probably they will not be passed. But of this much I am sure that the House will pass this Bill whether with or without amendments. We have been asked to be unanimous in supporting the Bill. I believe we shall be unanimous, and if there is any division, I shall have

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to vote for the Bill. But instead of recording a silent vote, I thought it my duty to submit these few remarks and I have put them before the House.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, I am confident that the very prudent and sound advice given by my Right Honourable friend opposite will be followed unanimously by all Members of this House. Indeed, after listening to the concluding words of the speech delivered by my Honourable friend, Mr. Karandikar, whatever little doubt I might have had in my own mind about the matter has vanished absolutely. Nevertheless, ardent advocate as I am of my country's constitutional evolution towards Swaraj or full responsible government, and jealous as I am of the reputation of this House for far-sighted statesmanship, I propose, with your leave, Sir, to invite the attention of Honourable Members to one or two definite considerations which to my mind are not only directly relevant but extremely important in connection with the motion now before the House. Sir, when our Budget discussions reached what is called the second stage in the other House, that is to say, when the Demands for Grants were placed before that House for vote, on the first day the Members of the Nationalist Party in that House succeeded in rejecting 4 of the Demands for Grants discussed on that day. The next day, the two foremost leaders of the two wings of that Party made a solemn declaration in the House that they had adopted that course on the first day merely to establish a principle and to enter a protest against what they described as the unsatisfactory character of the statements made by the Government of India here and Lord Olivier in the House of Lords. Thenceforward, they declared, the Demands for Grants would take their ordinary course. The result was that all the remaining Demands were passed, with two exceptions with the full consent of that House. In other words, the House sanctioned expenditure in connection with all the Departments with which those Demands were concerned. I confess I was surprised when on the following Monday the Finance Bill was placed before the House asking them to vote the revenues for the purpose of defraying the very expenditure that they had sanctioned during the previous week, it was thrown out. Apart from the inconsistency of the action thus taken, I would ask Honourable Members in this House to ponder for a moment over the effect of that action on the outside world. What must politicians in England, what must Members of Parliament in England have thought of the action thus taken? Think over the consequences of this action upon their minds with regard to the very object which we all have at heart, that is, constitutional advance towards responsible government in this country. That is the first consideration which I, in all sincerity and as a sincere well-wisher of my country, ask Honourable Members in this House to bear in mind.

3 P.M.

Sir, the second most important consideration which I wish to impress upon the minds of Honourable Members to-day is this. Had matters been allowed to be left there at that stage, what would have been the result? The Honourable Mr. McWatters has told us this morning that the realisations from the various taxes and duties specified in the Bill which is now before the House represent the greater portion of the Central revenues upon which the maintenance of the Central Government and the discharge of their responsibilities to the people of this country depend. Supposing that His Excellency the Viceroy had not directed the reintroduction

of the Finance Bill into the Indian Legislative Assembly with a recommendation and here in this House with the certification necessary under section 67B, what would have been the result? Who would have suffered? Not the Government, but the people of the country. How would the Government have been able to provide, for instance, their grant to the Benares Hindu University, their grant to the Aligarh Muslim University, their grant to the Delhi University? Where would the Government have got the wherewithal for maintaining the educational institutions in the North-West Frontier Province and the other smaller Administrations under the direct control of the Government of India? How would the interests of the people, in so far as Public Health is concerned in those Administrations have been safeguarded by Government? Indeed, I could multiply these illustrations of the greatest possible injury that would have been done to the people of the country if His Excellency the Governor General had not taken the steps that he has taken under section 67B. It is obvious, therefore, that in these circumstances it was absolutely essential that such action should be taken, and instead of criticising His Excellency's action I am sure Honourable Members in this House will be grateful that he has, in those circumstances, been obliged to have recourse to his exceptional powers under section 67B in order that the Finance Bill may go through the Indian Legislature.

Sir, one Honourable Member this morning pointed out that the Finance Bill was thrown out in the other place on grounds extraneous to the nature of the Bill itself. In that connection I do not propose to enter into any controversial matter. But there is one important consideration even in that connection to which I would like to invite the attention of this House. In all sincerity I am puzzled, I am puzzled at the action that has been taken in spite of two declarations, one in India and one in England, that had been made during the last three weeks or so. I first invite the attention of this Honourable House to the declaration made in India. Speaking on the 8th February 1924 during the debate on the amendment introduced by him to Diwan Bahadur T. Rangachariar's Resolution, this is what Pandit Motilal Nehru said . . .

THE HONOURABLE THE PRESIDENT: I must remind the Honourable Member that he must not refer by name to the Members of the other House except the Members of the Executive Council who have a right of audience in both the Chambers.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I am sorry that I forgot the practice. An Honourable Member in the other House observed as follows:

> "We have come here to do something which we have not been doing so far. I think it will mightily please my friends of the Congress who are known by the name of No-changers to hear what I am about to say, but I do not mind it. I have never concealed it. Sir, we have come here to offer our co-operation, non-co-operators as we are, if you will care to co-operate with us. That is why we are here. If you agree to have it we are your men. If you do not, we shall, like men, stand upon our rights and continue to be non-co-operators."

The declaration was emphatic, it was specific, it offered co-operation to Government and asked them to enlist the co-operation of the speaker and his party. What was the declaration in England? Now, I want Honourable Members to compare the language of the two declarations, and then I am sure they will be satisfied that my wonder at what has happened has

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some basis for it. This is what Lord Olivier, speaking in the House of Lords, said:

"His Majesty's Government having themselves the same ultimate aim as the Indian Swaraj Party, namely, the substitution of responsible Indian Dominion Government for the present admittedly transitional political constitution, are earnestly desirous of availing themselves in whatever may be found the best possible method of this manifest disposition towards effectual consultation on the various modes of making this approach. It has been unofficially suggested that the Legislative Assembly having proposed a round table conference the Indian National Conference is proposing to send a deputation over and representatives of Indian interests in this country have suggested a mission to India."

Three methods suggested by three different sets of people.

"His Majesty's Government, while they are not yet satisfied as to what may be the best means for establishing that closer contact and better understanding that are so manifestly desirable, some means of arriving at that closer contact, must, they are convinced, be sought and they hope, after due consultation with the Government of India, to be able with the least avoidable delay, to decide upon the means they will desire to adopt. In the meantime, His Majesty's Government is unequivocally friendly towards the Indian Constitutional Reform party and appeals to that party for patience and circumspection and for co-operation in using the Councils for their essential purpose of efficient administration according to the views of members on any particular question and not as a field for administrative sabotage and political acerbation."

Now, this declaration made in the House of Lords, I venture to submit, is equally clear and unequivocal. Although one party is ready to co-operate and the other appeals for co-operation and asks for patience, nevertheless, within a few days, without waiting for the results of the consultation which, according to the declaration of the Secretary of State, was going on between him and the Government of India, the majority in the other House have adopted the course which they have done! As a sincere well-wisher of constitutional progress in my country and as an Indian, I cannot help expressing my surprise at the course adopted. It seems to me, Sir, that in these circumstances to try and bring the Government to a standstill by refusing supplies was a very unwise course, and I entirely agree with my Right Honourable friend opposite that the more prudent course in the circumstances is to pass this Bill unanimously.

Well, Sir, it was said by one Honourable Member in the other House that since this statement made by Lord Olivier in the House of Lords, in reply to a question put to him in the House of Commons, Mr. Richards, the Under Secretary of State for India, has closed the door for any reconsideration of the present situation until 1929. That I am afraid is not the true position. There was apparently some misapprehension about the question asked and the answer given and the Secretary of State has authorised the Government of India to say that the second part of the supplementary question put to him by Sir Henry Craik which really was the portion dealing with the revision in 1929 had not been heard by Mr. Richards across the floor and that his reply was only a reply to the first portion of that question. Now let me put to Honourable Members the question as it was asked by Sir Henry Craik. This is how the question ran: "Will the Honourable Member state distinctly whether Government intend to adhere to provisions of Act of 1919 (that is the first part of the question) which defer revision of constitution for ten years" (that is the second part). Mr. Richards replied that that was exactly the position of Government. The Under Secretary did not hear the last words of Sir Henry Craik's question and had no intention of committing himself or His Majesty's Government to the interpretation assigned by those words. It is clear therefore . . . . .

(At this stage the Honourable Mr. G. A. Natesan rose in his seat).

THE HONOURABLE THE PRESIDENT: Does the Honourable Member rise on a point of order?

THE HONOURABLE MR. G. A. NATESAN: I wish to know whether the question was printed in the House of Commons.

THE HONOURABLE THE PRESIDENT: The Honourable the Leader of the House is in possession of the House and unless he gives way the Honourable Member cannot put his question.

(The Leader of the House then resumed his seat).

THE HONOURABLE MR. G. A. NATESAN: I wish to ask if these questions are printed in the House of Commons.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: This was a supplementary question in continuation of a number of supplementary questions put upon an original question by an entirely different member and obviously that would not be a printed question. It seems to me in these circumstances that really we ought not to be too pessimistic about the situation. Indeed there is room for optimism and, as I said the other day, it is optimism that is of the very essence of statesmanship. I appeal to Honourable Members, for these reasons, to pass the Bill now before them unanimously and without any amendment, for I am positive that its passage through this House by the unanimous vote of Honourable Members will not only permit the administration to be carried on but is likely to have very good effect in England.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Having made myself responsible for not one amendment but three, I owe it to myself and the House to explain why I have felt it necessary to do so. I am not amenable to the charge, almost the enormity, of doing something that will interfere with this House rising not only in its own estimation but in the estimation of those outside whose appreciation of our prestige, gravity and dignity is supposed to be of great value. I myself do not propose for the present, having regard to what you said at the beginning of the debate, to go into the merits of the amendments and to argue them at any length. The time for that will come later. For the present I must recognise the necessity of subscribing to what Mr. McWatters has claimed, namely, that we should assist in providing funds for the balanced Budget as it has been finally framed. What is that Budget? We do not know. Has this House any information? We have seen newspaper reports. The Honourable the Leader of the House told us as to what happened in the other House. The official proceedings have not yet reached us. Do we know what the result of the final Budget proceedings in that House and after are and how the revised figures stand? Have we had any report or analysis presented to this House upon which this House could be asked to consider or vote upon this Finance Bill? The Honourable the Leader of the House has just informed us, and I take it correctly, that some of the grants were thrown out. What was their subsequent history? What happened to them? Do they stand thrown out?

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: They were restored by His Excellency the Governor General at the request of the speakers themselves.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: The Honourable the Leader of the House has informed us that they have been restored. But it is news to me that this was done at the request of the speakers. Be that as it may, how do the restorations affect the Budget? We have had a very careful and creditable analysis of the substance of the present Finance Bill by Mr. McWatters which was supplemented by Sir Maneckji Dadabhoy's comparison between the original Bill and the recommended Bill. Do we know, does this House know, what the financial results of the amended and recommended Financial Bill would be with reference to the Budget? We have been told that certain important concessions have had to be withdrawn. I suppose there is a corresponding reflection of the withdrawal of those concessions on the credit side.

THE HONOURABLE SIR BASIL BLACKETT: Not large enough to affect the figures.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: The Honourable the Finance Member is not sure of his figures.

THE HONOURABLE SIR BASIL BLACKETT: I said that they are not large enough to affect the figures.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Before they find fault with amendments they ought to bring to the notice of this House the approximate results at all events of what I shall not call windfalls, but what will come to the Government and stay with the Government in the natural course of things because the proposed concessions are withdrawn. The Honourable the Finance Member told us in his Budget speech, a copy of which was circulated, that 3·36 crores would have been the surplus if the salt tax had been at Rs. 2 a maund and he told us what the result would be if it was reduced to Rs. 1-4-0. There we have something to go upon if we care to work upon those available data. The reduction in the petrol duty is now withdrawn. Various concessions about other minor matters, minor they are called but appreciable all the same, have been withdrawn. Many a mickle however makes a muckle and we should have been told what the total would be. The only reference that I shall make for the purposes of this portion of the debate to my principal amendment is to take the figures that Mr. McWatters has given—maximum of 60 lakhs affecting the postal revenue the wrong way. Am I not entitled to know whether, at all events, this sum of 60 lakhs is somewhere to be found, in the not Ramsay Macdonald like sleeves but the fairly wide sleeves of the Honourable the Finance Member. We have no such information and in the absence of such information I am not prepared to accept the dictum that the moving of a small amendment would be an enormity the results of which have to be visited in a proper manner upon those who make themselves responsible. We have not those figures; the responsible Member of the Government who has been at the work for the last year, for the last month and for the last week is not able to give us any idea as to what the result of those withdrawals of concessions will be or what the result as a whole of that Finance Bill will be financially. I suppose, Sir, that His Excellency the Viceroy in recommending the Finance Bill in a form in which there was a distinct departure for the better from the form in which it

originally came before the other House, had the advice of his financial advisers in detail. And what is more, I believe under the constitution he had to obtain the consent of the Secretary of State before proposing amended taxation. He could not have done that without all the necessary materials. I see my Honourable friend the Finance Member shaking his head. If that is in denial of the proposition that a recommended Bill proposing amended taxation has not in any shape to go before the Secretary of State for consent, why then I stand corrected. Sir, in the absence of those materials which we should have looked for when the Government asked us in these peculiar circumstances to pass the Finance Bill, we must be content to lay hold of such figures as are open to us and bring them to the notice of the House for the purpose of showing that if one amendment or another was carried the unanimity of the House in assenting to the Finance Bill would not be interfered with for which strong appeals have been made, the working balance of the Government would not by this be jeopardised.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, may I ask the Honourable Member who is speaking, if he has taken the trouble to inquire of the Finance Department whether they are in a position to give the figures, and, if so, have they been refused? It seems to me that, if he had asked the Finance Department for the figures to which he has been referring, they would have been given to him, and then he would have been able to speak on this subject with actual facts and figures before him. I understand that whenever Honourable Members have been to the Finance Department for information they have always been most kindly received.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): I was under the impression that the figures had been given; but in any case I am quite ready to give them at any moment.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am glad to hear that because a minute ago I understood my Honourable friend to say the figures were not available and could not be given.

THE HONOURABLE SIR BASIL BLACKETT: I did not say so.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: However, one lives and learns and I am sure the House and I will be glad to get those figures. Sir, that is one of our difficulties. The Honourable Member was under the impression that the figures had been given. Probably they have been given somewhere but we in this small Rasselas-like prison know not what is going on in the wider world. Papers that are available elsewhere are not always available to us and in time. For the last two months I have been breaking my head against the stone wall, going from pillar to post, trying to get advance knowledge of what is going on in the other House . . . . .

THE HONOURABLE THE PRESIDENT: With reference to that remark I would like to point out to the Honourable Member that I myself asked him to raise the question of papers as a point of order but he has taken no opportunity of doing that. He refers, I believe, to proceedings of the other House.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Not merely to the proceedings.

THE HONOURABLE THE PRESIDENT: The Honourable Member certainly wrote to me asking me to obtain certain papers for him, and I sent him a communication to the effect that I should be glad if he raised the point as a point of order. It has not been raised.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: What you probably have in mind, Sir, is in regard to the agenda and connected papers, etc. I am now talking of papers in general and in a more comprehensive sense.

THE HONOURABLE THE PRESIDENT: I regret I interrupted the Honourable Member. It was so comprehensive that it appeared to include something I had in my own mind.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Well, Sir, some papers as are available to us from time to time, for example the Government Gazette, make one pause. I shall take just one item, the railway figures. Well, we had certain figures given in the State Railways Budget and we had certain amended figures furnished later on. Taking it in round numbers we find that the gross receipts for 1923-24 are put down at 95·57; the revised estimates for 1923-24 are 94·22. Looking at the Gazette of the 22nd March just published, page 359, in the last column, last line, we have some very welcome information, namely, that the actuals for 1923-24 ending on the 8th of March 1924 were 98·64.

THE HONOURABLE SIR CHARLES INNES (Commerce Member): I think the Honourable Member has got the wrong figure. If he will look again at the figures for what we call State lines he will find that it is very much less than the figure he mentions.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am only quoting from the Government Gazette. What the reading of these figures should be sometimes comes as a surprise to us. When something is put down as a profit and we propose and want to use it as a profit, a host of charges, allowances and encumbrances make their appearance, and with the waiving of the magician's wand the profit disappears and turns into something of quite a different order. Any way that is what we have got, and in the column previous we have the average total earnings for the previous six weeks, I think, which is something like 2·36 crores. We have three weeks ahead and a few good crores are yet to come in. I do not say that you can count upon as good results next year. I say, make all the necessary allowances, have quite a large margin, and even then what you have shown as your State Railway earnings will be better by probably from 2 to 3 crores. Then, Sir, take some other figure in the State Railway Budget. At page 4 we have under the head of Renewals and Replacements 10 crores 45 lakhs, which include a good many items that will not come into operation next year and which will go towards keeping a comfortable balance at least till the separation of Railway finances comes about. And we find there that what the Meston Committee recommended and what the Inchcape Committee recommended should be the railway contribution to general revenues is nearly halved. There would be a better general balance if what the Railways ought to pay is paid. Taking every one of these facts into consideration and making the fullest

possible allowances and leaving the widest possible margin, my reading of the figures in general would be that the railway revenues would be better to the extent of 2 to 3 crores if not more. I do not want to take any undue advantage of that. All that I want to show is that if you think fit to carry small amendments you do not jeopardise general results. I propose therefore to press before this House reduction of postal charges so far as postcards are concerned. You will not be jeopardising the finances that are wanted to the extent that would make it obligatory on you to pause lest a small amendment like that which I put forward would be interfering with the claim in favour of the unanimous passage of the Bill through the House and the consequent repute for sobriety as can be derived from a smooth passage of the Bill. It is not a correct constitutional view either, for if need be one is entitled to raise questions like this even in regard to a recommended Bill. One does not want to do this in connection with a Finance Bill like this, and to raise more points than can be helped, say points like the military items, items of expenditure under Customs, Income-tax and Salt-tax which are going to be recognized. I have figures to show that these Departments, even when reorganized, can be worked much more economically than has been provided for. I am leaving them alone now, for it is too late. All these however show that if efforts were made, it would not be impossible further to cut down expenditure and to have margins of revenue that would help in the acceptance of the amendments, such as I propose. And if the House agreed to it, it would not infringe the principles as they have been called even of a recommended Bill. The reason, Sir, I want to draw attention to this aspect of the question is that the Finance Bill comes to us under very peculiar circumstances, distressing circumstances, from certain points of view. We all deplore what has happened. It is not for us here to try to apportion the blame for what has happened. It has happened. It will happen again unless there is a distinct change in the angle of both the visions. The question now is how so to shape things in these contingencies, so that the obligations that the Government have incurred on our behalf can be adequately met; and yet the distinct rights of this House to amend a recommended Bill, which I claim are not interfered with. Unless it be for political purposes of gesture and counter gesture, I do not think anyone will suggest that the obligations that the Government must incur, particularly obligations which are partly or wholly sanctioned, have to be provided for. But because, Sir, somewhere else people have deliberately taken a line of action which according to their lights was defensible and justifiable, this House is not precluded from considering the Finance Bill on its merits, because it was not considered on its merits elsewhere. And on that question, Sir, I think this House labours under another disadvantage. The other House has opportunities of discussing and making grants and withholding grants. We have not that right here. That is a constitutional situation that needs change. I have no right now to make a grievance of it, but that is a fact; and it is only when the Finance Bill comes before us as a Bill, it is then and then alone that we have seisin of these details and have to provide for grants for which we have not and could not make ourselves responsible. That is an anomaly. A few days ago we had 5 or 6 hours of academic dissertation on some aspects of the Budget. There was a time when even that was not permissible. Courtesy and convention gradually led to an amendment of the Standing Order, and the discussion of the Budget in its outlines became permissible. This year Honourable Members have voiced the utter inadequacy of those opportunities, and the thing has been brought before you, Sir, in a formal manner by the Honourable Sir Arthur Froom. I am sure next year we

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shall have a better opportunity so far as the general discussion is concerned, and the anomaly I referred to will some day be removed. But the point that I want to make in regard to this is that this House, which has absolutely no seisin of the Budget as such and has not the right of making or withholding grants, is unfortunately at the last moment asked to pass a recommended Bill in the form recommended, which makes it impossible for it, (without detriment possibly to the financial situation and also to other considerations) adequately to consider a Bill on its merits though it has the clear right to do so. We cannot suggest enhanced taxation, but we can suggest reduced taxation if it is otherwise desirable. If that is so, Sir, and when amendments are not and cannot be ruled out of order either by the Standing Orders, by practice or otherwise, I do not understand the repeated requests that the Bill should be passed without amendments by way of demonstrating—I am sorry to say this has been added—to the world that we differ from and are superior to other people who had the opportunity of discussing the question on its merits and failed, neglected, or declined to do so. In those circumstances, Sir, and differing from the views, thus put forward, I think the broader aspects of the question must be considered. If my reading of the situation is correct or partly correct, that 2 or 3 crores extra surplus, if not more, are available, there is no reason why some relief should not be possible in popular interests such as I indicate. I have never grudged the Provinces what they are entitled to. What we have urged is that it is not enough to give out doles or even to wipe out the Provincial contributions. The whole question has to be considered on a more equitable basis, and that is a thing that we must take up over and over again till justice is done. If Government are so inclined, even without enhancing the salt tax, it would be possible for them to give relief not only in the direction of reducing the postal charges, but also in the direction of giving suitable relief to the Provinces and assistance to the nation-building departments to which Mr. McWatters referred. Sir, we realize that complete financial stability of the Government is yet to be; there are large obligations, if not actual commitments, that have to be met—one of them has been referred to, namely, the removal of cotton excise for example. I share the regrets of my friend, the Honourable Sir Maneckji Dadabhoy, that that question was not considered on the merits and pressed home elsewhere. I do not know whether there were inner workings that led to practical withdrawal of the Resolution. Whether people who were making themselves responsible for that withdrawal did not care to antagonize Labour at this juncture or what their other reasons were I do not know. But we have the fact, Sir, that little gains that would have gone to the industries concerned have been withheld, by revision of the Schedules in the recommended Bill. We regret it, we deplore it. Take another small branch of the Schedules to the Finance Bill, for example, regarding match splints. I think it is quite right that the practices that have been defrauding the revenue should be put a stop to, but what are the other facts about the case? Those of us who know anything regarding the match trade of Bengal know that matchwood that is available there in abundance is not forthcoming. I know of certain concerns in Bengal which set up costly and useful machinery for making matches. Their organisers pointed out to Government where matchwood was to be had and how it can be had; they pointed out the wide range of forests where you could cut down timber, if only they could fix up matters. But what facilities have been provided to those who are interested in the match industry of the country for getting, if not first-class

timber tolerable enough for practical purposes? That would set up the match industry of Bengal on its legs at least for the time being. But nothing has been done there, though Bombay is better off. That is an aspect of the case, Sir, which I think might be considered in this connection even when we are taxing splints or matchwood coming from outside.

I have very briefly indicated the difficulties of this House in considering the Finance Bill on its merits in detail in the peculiar circumstances of the case. I recognise, however, that now is not the time for going into these matters extensively. I draw attention to these matters only by way of showing that some day I hope the House will have better facilities for considering and influencing the Budget demands well in advance and upon proper materials. The House should not be left helpless when it is asked to do that as a matter of extreme necessity which it should have opportunity of doing deliberately. Fuller materials should be placed before it timely and it will then be assisted in giving a deliberate and considered judgment on the issues raised and not be obliged to give its verdict upon general appeals such as have been addressed to it to-day, political appeals from the Government Benches which oftener than not we have been advised should not be mixed up with economic matters. It would have been as well if the Honourable the occupants of the Government Benches refrained from referring to matters which have occurred elsewhere and which are not before this House in some official shape or other. Judging from the reports that we get in the newspapers and from our own knowledge, we cannot shut our eyes to what I am sure the Government are not shutting their eyes to. Unrest in the country, in almost all the Provinces and their Councils, and in the Central Legislature here is marked and can Government or should Government fail to take note of it? We are not here making after-dinner speeches and throwing about jibes at absent people and ridiculing them for purposes extraneous to the business before us. All that is happening and happening elsewhere is with the assistance of the majority and not as a result of scrap votes. It is not wisdom to ignore this. We have been informed here to-day that even sober people,—people who have been masquerading somebody told me as Moderates and Liberals—have been drawn into what under the circumstances is the need of assisting suitable but not very seemly gestures and counter gestures. They have assisted in swelling the figures repeatedly recording Government defeats. I do not want to go into the rights and wrongs of that situation. We only deal with them as facts. They are there and what do they mean, let us pause and ponder. Men whom we know and have known as sober men, sensible men, men who are loyal to the cause of the constitution, who promised to work the reforms, who have made sacrifices in these endeavours, how is it they feel obliged everywhere to express disapproval of Government slowness in this way? Are they terrified or terrorised? I decline to believe that for some of them are of a tough make. They have a sense of grievance that ought to be removed. Reference has been made to the adequacy of the pronouncements in this country and in England regarding what is called the promise about progressive and orderly advancement of reforms by stages. We had more glosses and commentaries to-day from the Leader of the House about answers in Parliament. I referred to the matter, Sir, in my Budget speech and I should like to ask again, is there one little provision in the Budget which we are now asked to support by passing this Finance Bill for the furtherance of the Reforms even in the shape of organised inquiry? When any Committee or Commission is formed for ever so small a purpose, we have a Budget provision for it, and even when the Assembly declines to assent to such a

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Budget provision, the Commission starts, if the Government want it. Apart from the pronouncement to which reference has been made, what indication is there in this Budget of the country, that during the next year inquiries will be made by responsible organisations? I take it such inquiries are not made by departmental committees, nor by a deputation of officers who have other duties and are doing other duties. Such inquiry would be valueless for our purposes and I ask what provision has been made for instituting inquiries such as the whole country demands? Even when an officer has to be put on deputation, that has to be provided for. Nothing of the kind has been done. The Right Honourable Srinivasa Sastri has indicated what would be acceptable to those who think with him as the next necessary quantum of reforms that has to be given in the not distant future and I agree. Autonomy in the provinces, and responsibility in the Central Government, barring subjects that have been indicated, cannot be long withheld. Now, those who undertook to work the reforms from the very beginning made it clear that though they undertook to work the reforms such as they were, they were not satisfied with them. In the very first year of the life of the Assembly a Resolution was brought forward. I shall not say was accepted by the Government because there has been a question as to whether it was accepted or not—but a Resolution was passed I say with the assent of the Government. Put it at the lowest it was passed without dissent from the Government. Nothing happened for 3 years. That has been the programme laid down by the Assembly right from the beginning of its life. These claims have been pressed. There has always been a difference regarding this question of the method, of the pace, and the manner but nothing has been done by the Government regarding the substance of the demand, as far as the public knows. In this concern we hear sometimes, in some quarters that there is not much difference between the Extremists and the Moderates, and if you scratch a Moderate you find an Extremist—I shall be content to take it at that if it pleases some people to put that value on the work of the Moderates and the Liberals. But who ever has said that these reforms are satisfactory, that that is the last word on the subject or that the 10 years' rule is the irreducible minimum? We have always claimed that it is the maximum. If you said after making requisite inquiries at the end of 10 years, which you say is the irriducible statutory period, "I find the next step in the reforms can or cannot come" it will take not less than another two or three years to give effect to the recommendations. Is that what was intended? We have been told to the contrary. We have believed to the contrary. We insist to the contrary. We have been told on the contrary that that period is the maximum and not the minimum. Nor can we forget the intensive process that has been going on in the country since the Reforms came. With it naturally enthusiasm has been roused even on behalf of the discredited reforms. People who stood out have now come in. The great bulk of the people who I claim are Moderates and will remain Moderates so long as Government permit them, have been co-operating with you and will co-operate with you if permitted; but their spokesmen have made it most clear that you have got to set about to take steps to make the next advance. If you cannot actually and physically make the next advance in the course of the next few years, why should you not start on your inquiries, such as the country has unanimously demanded? Why should you not begin to build up at least conventions and explore avenues if further advance even under the present Act about the want of which we have been twitted often? We were told by the late

Secretary of State for India that the possibilities under the Act have not been exhausted, that the avenues of further reforms have not been explored. So it is for us to suggest. It was for the Secretary of State and the Governmen to initiate these steps and to make these advances. I am myself responsible for tabling two or three Resolutions, somewhat of a piecemeal character, not of the comprehensive constitutional type that was moved elsewhere and I did not proceed with them here. One of my friends here withdrew a Resolution for reasons that he gave, namely, that he did not think that in this House such a Resolution could be carried or any Resolution could be carried regarding which Government did not assist with their assent. I refuse to take up such a position; I refuse to believe that, if the House is thoroughly convinced, it will not agree to support the popular points of view,—popular I say from the larger point of view,—views that must be at the back of the Government and of the people if orderly progress is to be possible. Now, the Government have not moved one step in that direction and if I did not go on with my motions it was in the hope that the larger question would be taken up. Important pronouncements were expected and they have proved unsatisfactory. We must take up the matter where Government leave it. Where are Government going to leave it? Government were going to make their own inquiries we were told. I did not want to embarrass the Government in advance or our own people by raising issues here that would complicate the situation. The results of these inquiries ought to be published soon and advance under the Act itself should be quickened. No one of the avenues that I have in mind has been exploited or made use of. It is impossible therefore to say that the most balanced, the most sober-minded and the most moderate of people, have no grievance in the matter. It is up to Government to take full, timely and considerate note of what is going on in all the Councils of the Empire not excluding the Central Legislature, on a hundred platforms and in the press and even our Municipal Boards and universities. For present and immediate purposes we must recognise that there has been a failure to provide funds for obligations that the Assembly itself has partly undertaken, and furnish such facilities for good government as are open to us in law in the hope of better government, particularly as Government have done belated rights by lowering the salt tax to its old level upon which we insisted last year.

THE HONOURABLE SIR CHARLES INNES (Commerce Member): Sir, I have risen to intervene in this debate because I think it important to remove certain misconceptions under which the Honourable Dr. Sir Deva Prasad Sarvadhikary is evidently labouring. May I say that the first part of his speech was better than the last part? In the first part of his speech he complained that political considerations had got mixed up with the Budget and the Finance Bill. I agree with him entirely. He complained also that the Finance Bill had not been considered on its merits. That is exactly the complaint which the Honourable Sir Basil Blackett and myself have to make. But, Sir, in the latter part of his speech, the Honourable Member fell from grace . . . . . .

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY. Taking my cue from the Government.

THE HONOURABLE SIR CHARLES INNES: And he was led into a political dissertation. Sir, one reason why I very much regret that our Budget and our Finance Bill have got mixed up in a political whirlwind is the reason which has already been given by the Honourable Sir Maneckji

[Sir Charles Innes.]

Dadabhoy. I have been intimately connected with three Finance Bills and three Budgets and this is my fourth. For three years past it has been my unfortunate fate either as Commerce Secretary or as Commerce Member to defend in the other House and in this House heavy increases of taxation. I can assure this Council that I have no liking for heavy taxation. This year I was able to persuade my Honourable Colleague on my right—who, if I may venture to say so is always ready to take a broad view of questions—I was able to persuade him that the time was ripe for us to make a small beginning in the way of reducing taxation. We thought over the matter very carefully and we came to the conclusion that we might make a small reduction in the motor excise duty. There have been reductions in the price of petrol in India given by the Burma Oil Company itself and we hoped that, if we reduced the excise duty, we should so stimulate consumption of petrol in India and that there would be no loss of revenue to Government. That, I think, answers Sir Deva Prasad Sarvadhikary's first point. He complained that though we had dropped the proposed reduction of the excise duty on petrol, yet we did not seem to have taken that fact into account in our revised Budget. I should like him to remember that when we proposed that reduction in the excise duty, we hoped that consumption would be so stimulated that we should not lose revenue at all. Owing to the action taken for political reasons in the other House, that reduction of the excise duty has gone West, and also another reduction to which I personally attached considerable importance, namely, the reduction of the duty on certain loom accessories from 15 per cent. to 2½ per cent. That would not have cost us very much. In fact, we estimated that it would not cost us more than a lakh or so. But, Sir, it would, as Sir Maneckji Dadabhoy pointed out, have been of considerable service to the mill industry in Bombay and the rest of India which is at present coming upon bad times. What is possibly even more important is that it would have been of considerable service to the hand loom industry in India. Reeds, healds and other accessories are common to both the hand-loom industry and the power loom industry, and it was with very great gratification that we felt that we were able to do something for this industry by reducing the duty in this way. As I have said, it is a very great disappointment to me that owing to events in the other House those two proposals have had to be dropped.

But my main object in intervening in this debate is to remove certain misconceptions which the Honourable Sir Deva Prasad Sarvadhikary is evidently labouring under in regard to the Railway Budget. His whole point, as I understood his speech, was that there was no reason why he should not try to persuade this House to agree to his amendment, which as Mr. McWatters has told us, would cost us Rs. 60 lakhs, because there is every prospect of our getting greater railway receipts next year than we have budgeted for, and in support of that statement he quoted certain figures which he obtained from the Gazette of India. I think that the Honourable Member has forgotten that a great many of our Railways in India do not belong to Government. They belong either to private companies or to Indian States. Our revised estimate for railway receipts during the current year is, as the Honourable Member said, 94·22 crores. According to our latest receipts up to the 8th March, it does not look as if on Budget lines we shall get those 94 crores. On the other hand, we expect that our net receipts will be about the same as we have estimated for owing to a reduction in working expenses. But, Sir, the important

thing is, are we going to get our gross receipts and our net earnings in 1924-25? Sir Deva Prasad Sarvadhikary thinks we might have budgeted for larger earnings.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I said, " making every allowance."

THE HONOURABLE SIR CHARLES INNES: Well, Sir, let me say that we have budgeted in 1924-25 for greater earnings than we have yet had in the history of Indian Railways. We have budgeted for 97 crores, that is nearly 3 crores more than we expect to earn this year, and I think that the Finance Member would be a bold man if he had agreed to our putting it any higher than that.

Then again, the Honourable Member suggested that it would be extremely easy for us to get larger net earnings next year out of Railways by cutting down our programme revenue provision. We succeeded in persuading the other House to agree to the programme revenue provision of 10·45 for next year. Indeed, that provision is necessary if we are to carry out the rehabilitation programme which has been approved for next year Those facts were clearly placed before the other House and the other House has definitely decided that no deduction or cut should be made in that provision.

Now, Sir, I hope I have removed some of the doubts which the Honourable Member feels. I have shown that though the proposal to reduce the petrol duty has been dropped, it makes no difference at all to our Budget, for we hoped that by that reduction in our duty we would get larger consumption, and therefore that our revenue from the duty would not be less than what it was. Since the duty is not to be reduced, we shall not get the extra consumption and the dropping of proposal therefore makes no difference to our estimates. As regards mill stores, the matter is so small that we did not take it into account in our Budget at all. We did not expect that we should lose by the proposal more than about Rs. 1 lakh. As regards the Railway Budget, the Honourable Member will see from the figures I have just given that we have budgeted as high as we can for next year, and that it was definitely decided that we ought not in the general interests of Railways to interfere with our programme revenue, that is, with our rehabilitation programme. May I take this opportunity, since I have got up, to make some reference to what the Honourable Mr. Karandikar said about the proposal to separate Railway from General finance. We have endeavoured to give the Legislature all the information we could about that proposal, and I must say that it came rather as a disappointment to me to hear the Honourable Member challenging that proposal on the point of principle. He suggested that it was very dangerous to allow the Railway Department to earmark its profits or part of its profits for its own purposes. Well, Sir, perhaps the Honourable Member will permit me to say that, if there was anything wrong in the principle of that proposal, it is rather surprising that it should be left to the Honourable Member to find that out. It is not a new proposal: it is a proposal which has been adopted in most of the countries where they have State railways, or at any rate, it is a proposal which is being adopted more and more in those countries. Which is the purest democratic country in the world? I suppose every body will agree that it is Switzerland. Switzerland has separated its Railway Budget from the General Budget. The same in Japan, the same in South Africa, the same in Austria, the same in many

[Sir Charles Innes.]

other countries of the world where the railways are owned by the State. In fact, all through the world people are coming more and more to the conclusion that, where the railways are owned by the State, the only safe course, if you want to have your railways efficient, is separated railway finance from general finance and to have a separate railway Budget.

The Honourable Member then proceeded to say that it was very wrong that the Railways should be emancipated from the control of the Treasury, —I think I have got his words down correctly. Well, Sir, if the Honourable Member thinks that my Honourable Colleague on the right is prepared to agree that the Railways should be removed from financial control let me assure him that he is entirely mistaken. To begin with, our new arrangements for financial control are in no way connected with our proposals for separation. What we have done is that we have merely altered the system of control. Formerly, the Railway Board had very large powers of sanction. Within those powers of sanction it had no necessity to come to the Finance Department of the Government of India. In fact, it came to the Finance Department for sanction practically only for projects which required the Secretary of State's sanction. Now, we have altered that system. The Honourable the Finance Member has got his own representative inside the Railway Department, inside the Railway Board. That representative sees every project which comes to the Railway Board for sanction, whether it is within the powers of the Railway Board's own powers of sanction or whether it is not. He examines these projects entirely from the financial point of view, from the point of view whether or not those projects are going to be remunerative, and he has complete power to take any file at any time to the Honourable the Finance Member. I hope I have satisfied the Honourable Member on that particular point. I hope he will take it from me—I have had experience of both the systems of control— that the arrangements that we have now made for financial control in the Railway Board are the best arrangements that we have ever had. We have now got real financial control which I do not think we have ever had before.

There is one other point which the Honourable Member made. He suggested that the object of these proposals was to remove railways from the control of the Legislature,—at least I understood him to say that. If he did say that, I hope he will also remove that impression from his mind. That is not our object at all. Our object is to make new arrangements for the financing of railways which will enable us to run the railways as they ought to be run, namely, as a gigantic commercial undertaking. You spend on your railways 60 to 70 crores of rupees and you earn 90 to 100 crores of rupees, a perfectly gigantic figure. It is utterly impossible to run a huge commercial undertaking of that kind in the same way as you run an ordinary Government Department. You cannot treat them, as the Acworth Committee said, as a concern which goes out of business on the 31st March every year and comes into existence again on the 1st April. We want to be allowed to run the Railways as a continuously going concern. In our deliberate opinion, and it is an opinion which has been formed after a careful study of the Acworth Committee's report and also of the practice in other countries, the only way in which we can get these results, the only way in which we can run the Railways as they ought to be run, namely, as a commercial concern, is to carry out

the proposal which will be put before the House, namely, to separate the Railway finance from general finance. I hope the Honourable Membe will study again those papers which we have laid before the two Houses of the Legislature and, if he does, I am quite sure he will see that the impressions which he has now formed up to date of those proposals are misconceived.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Having regard to the special circumstances in which the Finance Bill has been brought forward before this Council, and having regard to the appeal made by the Honourable Mr. McWatters, I promise to give my vote for the Bill, but I do so under a protest and because there is no other way of passing this Bill. Coming from the Province of Madras, I must at once say that I am very sorry that my Government have been treated very shabbily, that even tardy justice has not been given to us. I regret this all the more because two of the stalwarts of the present Government of India come from Madras and they know very well the wants of my Province. (*A Voice*: "Whose fault was it?") Let me add, it is generally said that Governments are like machines, purely mechanical. I believe the Government of Madras have of late shown that they have a soul, and if you continue this policy for some time longer, I shall not be surprised if, when you demand your next item of contribution, they give you some trouble and it may take a shape to which you are now becoming accustomed. I therefore hope that you will so conduct yourselves and frame your Budget for next year at least in such a way that my Province may get the relief of which it is very badly in need. As a nominated Member of the Madras Government I feel it my duty to give you this warning, and I hope that the Honourable the Finance Member will take care that next time at least he will bring a Budget in which he will try to do some justice to my Province.

(At this stage the Honourable the President vacated the Chair which was taken by the Right Honourable Srinivasa Sastri.)

THE HONOURABLE SIR BASIL BLACKETT: Will the Honourable Member answer for his Colleagues in the other House?

THE HONOURABLE MR. G. A. NATESAN: The discussion is now in this House and the Bill has been brought before us, and I appeal to the Honourable the Finance Member to take up the points which are made here and answer them satisfactorily.

I am very glad that the duty on salt has been reduced to Rs. 1-4-0. May I submit that I feel it my duty to say that it was a great mistake to have raised the duty on salt at all last year? It was a blunder to have certified it, and I do hope that Government, like private individuals, will also profit by this episode. I am most anxious that things should get on smoothly and will make a special appeal that hereafter this attempt to flout genuine public opinion will not be pursued. What has happened now? To use an expression of one of my distinguished friends, you have by this policy of increasing the salt tax and subsequently getting it certified, scattered your friends and swelled the number of your enemies. I ask, is it wise that you should have done so? I am glad that you have now come forward to assume the right position and I hope you will stick to it.

Reference has been made more than once to the fact that the Budget was thrown out in the other House and that the Finance Bill was not

[Mr. G. A. Natesan.]

passed. Speaking, again, as a member nominated by the Madras Government, I may say that, so far as the constitutional advance of this country is concerned, His Excellency Lord Willingdon, the Governor of my Province, has from the very beginning set his face against this form of government . . . .

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Twice my Honourable friend has repeated the statement that he has been nominated to this Council by the Madras Government. I believe under the constitution no Provincial Government has any power to nominate anybody to this Council.

THE HONOURABLE MR. G. A. NATESAN: I take back those words. Sir, speaking of constitutional advance, let me remind this House that the Governor of Madras was one of the Governors who said from the very beginning that he did not believe in dyarchy; and if I am not mistaken, not only privately but also publicly, in company with one or two other Provincial Governors, he has protested against the continuance of the system. I believe there was a very strong protest in the Assembly the other day against the continuance of this system of dyarchy and the absence of responsibility in the Central Government. I believe they were justified, though not perhaps in the manner in which they presented their case. I think it is essential that I should also point out that you cannot go on with the present state of things and that the only solution lies in adopting a policy of wise statesmanship. Such a man as Sir Valentine Chirol, one of the staunchest advocates of good government in India and a pillar of support to the Government of India and its policy in the good old days, not long ago said that the curse of the present times is that people have lost trust in the Government. Apart from adjusting your finances, what you should do is to revive this lost trust; and I believe that it is only wise statesmanship that ought to solve it and there is need for a great deal of thought. People often tell us that we should do this and should not do that. Those who are true friends of the Government, Official or non-official, should constantly be telling Government when they are going wrong and not feel nervous and try to talk in a strain which misleads the Government. Now let me say this to the credit of some high English officials whose friendship I enjoy that when they come out of the hall, after having finished their duties in discharge of their official position, they often admit that what we said was correct, but that they are parts of a machine and have to carry out things even though their private opinions are against them. It is good to remember it and I trust these remarks will appeal to some gentlemen who often overdo their support of Government, and apart from the injustice they do to themselves they are doing a grave disservice to the Government which have a right to expect frank and honest expression of views. My Honourable friend Sir Muhammad Shafi gave an explanation of Mr. Richards' answer in Parliament. Many people have asked what are Parliament going to do and what are the Government of India going to do about this affair? We have not yet had any answer and I think it is high time, though not here but later on, when the Government move from the warm atmosphere of Delhi to the cooler heights of Simla, that some statement was made so that there could be good feeling in this country and peace and order and good government which we are all anxious to secure. I think the Government owe a duty to the public in this matter. It is often said that people here are irresponsible. If, as in England, the

Council of State or any other legislative body is composed of non-officials the opinion of that body will be given very freely; but, situated as we are and with these limitations, even people in sympathy with the popular views are not allowed to speak out their minds, and it is therefore all the more incumbent that they should try as far as possible to meet popular wishes and demands. The words " too late " should never be written on what they do.

THE HONOURABLE RAJA PRAMADA NATH RAY OF DIGHAPATIA (East Bengal, Non-Muhammadan): The circumstances under which this Bill has been introduced in this Council, and the relief it is calculated to bring to the poor by the reduction of the salt tax are enough reasons why this Council should pass this Bill unanimously, thus showing that it is capable of co-operating fully with the Government when such co-operation is needed for the good of the country. Whatever policy might have been followed regarding this Bill elsewhere, the fact remains that people outside, especially the masses, will appreciate the methods of this Council far more than that of the other inasmuch as our methods would bring them immediate relief. Further, the people of India in their heart of hearts—even of those provinces that have been deprived of the doles from the Government of India,—are grateful to His Excellency the Governor General for reducing the salt tax. With these few words I support the motion.

THE HONOURABLE MAULVI ABDUL KARIM (East Bengal: Muhammadan): In spite of what my Honourable friend Nawab Sir Umar Hayat Khan said I think it is a wise decision on the part of Government to reduce the salt tax which hit the poor hard. People in the position of my friend have not much occasion to come in contact with the poor, and that is the reason why they cannot realise their difficulties. As regards the other things which the Honourable Member said, I do not know whether he was at all serious. We have lived in India for centuries on terms of peace and amity. Even in the autocratic days, when the Mussalmans ruled over this country, there was not, as the gentleman indicated, any very great fear of social rupture. The Mussalman Emperors took advantage of expert knowledge in financial and even in military matters from their non-Muslim subjects.

As regards the demand for self-government, I would not use the word Swaraj about the definition of which I find there has been so much controversy. It is not a fact that the members of my community are not as anxious to get it as the members of other communities. I believe, Sir, if it is to be a Raj other than a British Raj it will be an Indian Raj and not a Hindu or a Muhammadan Raj. I do not think that the Hindus, although they are the original inhabitants of this country, are in a position, after we have been domiciled for such a length of time, to do without us and they should also bear in mind that we have come here to stay. So the only course is to come to an amicable settlement so that we may have self-government.

As regards the salt tax, as I have already said it has been a very wise decision on the part of the Government to reduce it. It would have been well, however, if this had been done when the Budget was framed and the responsibility of choosing between the salt tax and the Provincial contributions had not been transferred to the Legislature instead of being

[Maulvi Abdul Karim.]

shouldered by the Executive. It should have been realized that the hardship of the poor is a matter of far more concern than anything else to those who know the real condition of the masses in this country.

The net addition to the revenue of the country in the year 1923-24, as the result of doubling the salt tax, was only about one-third of what was estimated, a crore and a half instead of four crores. I wish, Sir, for such a comparatively paltry sum, without which no great dislocation would have taken place in the administration of the country, so extraordinary a measure as "certification" had not been resorted to. If public opinion had not been disregarded in the manner in which it was done, and if due deference had been shown to what the representatives of the people tried their best to impress upon the authorities, I think there would not have been so much irritation in the country and the regrettable obstruction in the way of a timely satisfactory settlement of that vexed problem of expansion of the constitution so as to meet the wishes of the people, could have been, to a great extent, avoided. It is hoped that in future care would be taken not to sacrifice popularity which, to my mind, is a very great asset to the administration of a country, particularly by alien rulers, to enthusiasm for a balanced budget. It would be unwise, I think, to ignore the unexpected, I may say undreamt of, change that is taking place in the mentality and outlook of the people. I think it would be statesmanship of a high order to take careful note of these and to revise and modify the ideas and ideals of power and prestige so as to suit these to the changed circumstances. I wish, Sir, the word "*zid*", the full connotation of which can hardly be conveyed by any English word I know, had not found a place in the vocabulary of administrators and statesmen. I believe it is at the root of many avoidable troubles. With instances before them of many a finally settled fact getting easily unsettled, not only in other countries such as Egypt, but even in India itself, it would be, I think, too much to expect that people can any longer be bullied to acquiesce in measures they do not approve or appreciate. I would appeal with all the earnestness I can command to those whom Providence in this critical stage of the history of modern India has given an opportunity of making or marring her immediate future, to be actuated by such a solemn sense of duty, to be animated by such a high sense of responsibility, as to be able to fulfil the noble mission of making a governed people self-governing.

I would like to refer to another matter, and that is the Meston Committee's Award to Bengal. Now that the salt tax has been reduced I am not at all certain what will happen to provincial contributions. (*The Honourable Sir Basil Blackett*: "Hear, hear and Laughter.") It was nothing short of an injustice that was done to my province by the Meston Committee. We have been told that through some mysterious miscalculations the Committee did not see its way to allow Bengal to have sufficient revenue to meet her normal expenditure, not to speak of any margin for desired expansion in any direction. Perhaps the Honourable Members are aware that Bengal gets nothing of the income of its various industrial and manufacturing activities. What has been the result of all this? The result has been that by an unfortunate irony of fate one of the wealthiest provinces in the Empire has to live upon, what shall I say, charity. It had to ask, as a matter of grace, for what it could have claimed as a matter of right. But for the remission made by the Government of India of 63 lakhs of its contribution the administration of the

province would have been very seriously dislocated. In presenting the Budget for 1923-24 the Finance Member of Bengal observed:

> "We cannot look on this Budget with any great satisfaction. It makes no provision for development and allows for no progress. It merely permits the carrying on of the administration in its minimum essentials and that, too, only by drawing to some extent on our balances."

Sir, I cannot persuade myself to believe, as some people are so uncharitable as to say, that the financial embarrassment of Bengal was purposely caused in order to cripple her industrial and political activities. What I believe is that it was to keep the topheavy administration of the Central Government agoing that the financial resources of the provinces had to be drawn upon. Unless there is a substantial reduction in the expenditure on administration, particularly under the military head, I do not think it is possible to restore financial equilibrium. That more than half the revenues of the country, over 60 crores out of 107, is required for the purposes of defence unmistakably shows that there is not that freedom from fear from external invasions and internal disturbances which the country is entitled to enjoy under a Government such as the British. I think, Sir, as many of my countrymen think, that the military policy of the Government of India requires a thorough revision, and a searching inquiry into the proportion which the military expenditure should bear to the general expenditure of the administration is urgently called for. Until this is done, unless the permanent expenditure of the administration is curtailed to an appreciable extent, there can be little hope, I think, of placing the finances of the country on a sound and satisfactory basis. In conclusion, I would like to say that I endorse every word that my Honourable friend, Sir Deva Prasad Sarvadhikary, said with regard to the right of this House to scrutinise and criticise the details of the Budget and to come to a definite conclusion of its own before passing the Finance Bill simply because it was thrown out by the other House.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, it is a matter of pleasure to find, that His Excellency the Governor General has practically acceded to the wishes of the majority of the Members of the other House in reducing the tax on salt and in doing away with the increased duty on gold and silver threads. In my humble opinion, Sir, if the increase in the salt duty by certification had not been made last year, perhaps the present situation which has arisen might not have had to be faced. It is a matter of regret, Sir, that in the circumstances in which this Bill has come before us, we are not practically able to make any amendments, because in case any amendments are accepted, it will result in throwing away the Bill in reality. Therefore, Sir, we have no other course left but to support the Bill as it comes to us, and that support I readily give. At the same time, Sir, I want to make certain observations which I pray Government kindly to consider. His Excellency the Commander-in-Chief, in reply to my question this morning as regards the Indianization of the army, gave us rather a discouraging reply. I request His Excellency the Commander-in-Chief kindly to let us know whether, as regards the number of 10 vacancies which His Excellency said are thrown open to Indians every year, in the Sandhurst College, what number of the commissions Indians do really succeed in getting? What is the number of Indians who are allowed to compete in the examinations, and whether or not it will be a right policy to send in or to select or to nominate double the number of people that are to be selected? My friend, Sir Deva Prasad

[Lala Ram Saran Das.]

Sarvadhikary, has suggested a decrease in the postal rates. The Honourable Mr. McWatters, as far as I could understand, has given us to understand that very probably the rates on postal packets and on book packets may likely be reduced. We hope that his assurance will bear some fruit. The Honourable Mr. Chadwick the other day, when we were discussing the Budget, said that in England the prices of petrol rose recently by 4½*d.* per gallon. I anticipated then that the B. O. C., which fortunately holds the sole monopoly in India, would very likely increase the price of petrol by an equivalent sum, and I think perhaps the Government of India, anticipating that rise, have withdrawn the concession which they proposed to give in reducing the excise duty on petrol. I deplored that change because the reasons which I already gave in detail in my Budget speech are quite sufficient to assure this House that India is paying very heavily for petrol as compared with other countries where Indian petrol is being sold. My friend, the Honourable Mr. Karandikar, said that the expenditure on the retention of a military force in Waziristan was not quite justified and that the people of the North-West Frontier Province were quite able to defend the country there. Coming from the Punjab as I do, Sir, and knowing the conditions of the North-West Frontier Province, I must say that the retention of the military in the Waziristan area has done a great deal to restore, or I should say to increase, the safety of the people living in those areas; and I think at present it is not the time to withdraw the military from Waziristan. As protection is very likely to come into force in India, I think, Sir, that the small loss which the Honourable the Finance Secretary anticipates in case the Government of India accept the lower postage rates proposed which will mean a loss of 60 lakhs, will be greatly recouped by the increased import duties that we shall be likely to get when protection is introduced in this country. The present total income from import duty on steel and iron is, I understand, about one and three-quarter crores and the House can very well imagine that this will be increased to a reasonable extent. Another crore of rupees on import of railway materials and the steady increase in the general import duties owing to the revival of our trade will surely balance the Budget. My Honourable friend, Maulvi Abdul Karim, said, or at least what I understood him to say, was that Mussalmans were not inhabitants of India and migrated into this country from other places. As far as my knowledge goes, Sir, a very great majority of Mussalmans are Hindu converts and they are our brothers in the true sense. Well, I think the percentage of those Muslims who came to India is perhaps between 1 and 2 per cent. of their total population. So I think that the relations between these two communities, although they are a little bit disturbed now, will be tranquil and brotherly again. I am a great advocate of universal brotherhood and I think that we must try to foster our brotherly feelings so that the Government may not have the chance to say that they require increased expenditure to maintain internal order in the country. With these few words, Sir, I support the Bill which has come before us.

THE HONOURABLE MR H. G. STOKES (Madras: Nominated Official): Sir, I do not wish to commit the mistake which my Honourable friend Mr. Natesan did by introducing myself as a Member nominated by the Madras Government. But I am here, Sir, a Member nominated to represent the Madras Government, and my object in rising is not to oppose the Bill before the Council nor to reopen any controversy in connection with what is known

in Madras as the iniquitous impost. My object is rather, in conjunction with the other Madras representative, to give expression to the dismay and the disappointment which will be felt throughout the Madras Presidency at the course of events which has taken place in connection with the proposals of the Finance Bill. In introducing the Budget, the Government of India adopted a line which I think justified very rosy hopes. The Honourable the Finance Minister explained that the Devolution Rules prescribed the proportions in which each province's contribution is to be reduced as money becomes available, the provinces named getting the first relief; the turn of others comes next and their prospect of reduction is brought so much the nearer by the clearing away of the prior claims. This is the main passage:

"But more important still is the interest of India as a whole in making a beginning in dealing with this running sore of the Provincial contributions."

Well, Sir, it cannot but be a matter of great disappointment and regret, and I think justifiable disappointment, to find that in the end the Government of India have not seen their way or taken their courage in both hands to give effect to a measure the necessity of which has been so emphatically recognised by the Finance Minister himself. Surely, Sir, one may suggest that for the interest of the affected provinces, for the interest of the due progress of the reforms, for the practical betterment, not to say the contentment, of the populations affected, it was both desirable and necessary to find some salve for this running sore and, if necessary, to perform possibly a dangerous operation, but to excise the cancer. I dare say, Sir, the Honourable the Finance Minister will ask me, am I prepared to answer for the Madras representatives in another place? God forbid, Sir, that I should be. I do not propose to offer any conjecture, Sir, as to what has been the reason for the course which these gentlemen have adopted. The only thing I will say is that in my opinion and I think in the opinion of the majority of the people of Madras, they have done grave disservice to the interests of their Presidency and I venture to doubt whether they will be able to justify satisfactorily their conduct to the people who are supposed to have sent them as representatives to Delhi. I can only conjecture, Sir, that possibly hypnotised by the will o' the wisp of Swaraj, they have followed it—perhaps I may remind you, Sir, that the Latin name is *ignis fatuus*—they have followed it until it has landed them, and their province, in the mire. There are several reasons, Sir, for doubting whether they have in fact given expression to the true opinion of the people of the Presidency they are supposed to represent. I say the people as opposed to the intelligentsia. Only the other day, Sir, the Swaraj party in the Madras Assembly brought on a deliberate trial of strength in a division directed against the grant for His Excellency's household, the ground for the vote of reduction being the general unsatisfactory conduct of His Excellency's administration. It was intended, I am informed, as a direct trial of strength and the result of the division in that Assembly was that there were three votes against the Government and that is all. I should like to know, Sir, how the Madras representatives considered themselves justified in attaching themselves to the Swaraj party having regard to the real position and the strength of that party in their own province. Then, Sir, we have also a telegram which was sent by 60 Members of the Madras Legislative Council to each Member, official and non-official, in the Legislative Assembly in Delhi. I have not got a copy of that telegram nor have I seen it, but I am informed that in that telegram they express their

[Mr. H. G. Stokes.]

preference for a measure of relief from the contribution rather than a reduction of the salt tax, if no other alternative is possible. There have, I believe, been attempts made in the local Council of Madras to belittle the significance of that telegram. But I have mentioned it for what it is worth. There is also another piece of evidence, which I think has escaped notice, as to the real views of the very considerable section of the population of the Southern Presidency. Sir, in Madras, as the Council may be aware, apart from the bureaucracy, there is another large and important depressed class, namely, that which is known as the backward and depressed classes of the Presidency. Their number is roughly, I believe, 6 millions and they comprise, broadly speaking, the poorer, less educated and more down-trodden classes of the 40 millions of the Presidency. They are the people who are, if I may use the phrase, up against the difficulties of life every day, and they are the people who are going to be affected, and seriously affected, by taxation such as the salt tax with which we are to-day concerned. In a recent speech this is what their representative in the Madras Council said about the salt tax. The speech was made on the 7th March in connection with the provincial Budget by the representative of the depressed classes, Mr. R. Srinivasan. I think that it has a very interesting bearing upon what we have been told about the horrible oppressiveness of the salt tax to the poorest section of the people. He says:

"With regard to the salt tax I may say that one anna per head per annum is not felt by our people. It is something like a fly sitting on the horn of a bull that is ploughing the fields. The pressure on us is already so great that this small sum of salt tax is not felt by our people. Out of the revenue from salt and liquor the Government constructs roads, buildings and wells, many of which we are not allowed to use. So I say it does not matter to us whether the salt tax stands at one anna or three annas or even eight annas. We are willing to pay any tax provided it is guaranteed that a fair proportion of it goes to the people who contribute it. The Government must spend it in ameliorating their conditions in so many ways."

They have followed up that pronouncement by a telegram to a Member in another place to the following effect:

"Madras representatives backward classes Legislative Council request reduction Madras contribution rather than reduction of salt tax this year."

This was signed by the three leaders of that particular section. It appears to me, Sir, that the views of so large a section of the community—a section of the community which is directly affected by these taxation proposals—are of particular interest in this connection, and it is a remarkable and possibly a deplorable phenomenon that they have apparently failed entirely to influence the attitude of those who are supposed to represent in the Assembly in Delhi the opinions and interests of the population of Madras. One is almost tempted to suggest the question whether the basis of the electorate for the Legislative Assembly does not require broadening so as to bring the views of that Assembly into accord with the real opinion of the population they represent. However that may be, Sir, I consider that the expressions of opinion and the other evidences which I have mentioned do justify the doubt which I have put forward as to whether the views and the attitude taken by the Madras representatives in the Assembly are really coincident with the feelings and the wishes of the population of Madras. With that, Sir, I propose to leave these gentlemen to the tender mercies of their constituencies when they return to their province. But I do think that, if these facts had been more fully present to the Government of India, they might have felt themselves justified in taking their

courage in both hands and in certifying the salt tax at Rs. 2 and applying the knife, as I said, to the tumour once for all. Well, Sir, as things stand, Madras, I must admit, has had a serious set-back. But I think that she may at any rate lay some flattering unction to her soul. For the present, perhaps for an indefinite period, her hopes may have to be deferred, but I think that the speech of the Honourable the Finance Member in introducing the Budget, which I have already quoted, may be properly taken, and I think will be taken, as a pledge that the Government of India do definitely recognise the evil of the contribution system and that they will take the earliest opportunity to amend it, and to allay Sir, the evil, which is crippling the activities and the development of the Madras Presidency. Madras may regret that the present opportunity has been lost, but I feel sure that she will not relax her efforts to obtain hereafter the justice which has hitherto been denied to her.

5 P.M.

THE HONOURABLE DR. DWARKANATH MITTER (West Bengal: Non-Muhammadan): Sir, I rise to support the motion that has been moved by the Honourable Mr. McWatters that the Finance Bill be taken into consideration. I welcome the provisions of this Bill, for I find that the salt tax has been reduced to Re. 1-4-0. It may be within the recollection of this House that on the 7th March last when the Budget was discussed in this House, I pleaded that the salt tax question was essentially a poor man's question. The Honourable the Finance Member replied that a low salt duty in his opinion was in the nature of a financial heresy. I stick to the opinion that it does affect the poorer classes notwithstanding what has just now been said to us by the Honourable Mr. Stokes as representing the views of the depressed classes. One anna may according to that comparison be a fly, but you cannot compare one of the poverty-stricken masses who know hardly any margin between penury and subsistence with a fat bull. I therefore, Sir, welcome the provisions of this Finance Bill which has reduced the salt tax to its original level.

With regard to the other financial proposals which are contained in this Bill, I find that they are necessary, as has been said by the Honourable the Finance Secretary, to balance the Budget this year, in other words, to balance the revenue and expenditure. Now, Sir, to leave the present existing Executive who are entrusted with the administration of the country in power and to vote expenditure and at the same time to deprive them of the means of carrying on the administration does indeed create a grave constitutional situation. But it seems to me that the financial machinery of the State will be thrown entirely out of gear if the Finance Bill is rejected. This is a position to which no right thinking Indian can agree.

But it seems to me that the financial machinery of the State will be thrown entirely out of gear if the Finance Bill is rejected. This is a position to which no right thinking Indian can agree.

But, Sir, before giving one's assent to this Bill which has been rejected by the Legislative Assembly, one has to consider that there must be reasons very cogent and very strong in order to induce one to accept a position which has been refused by the other House It becomes necessary, therefore, to examine the reasons which have led the Legislative Assembly to withhold their assent to this Finance Bill. It is obvious at the outset that the merits or the demerits of the Bill have not been examined by the Legislative Assembly. It has been refused because in the view I may

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mention, of the Swarajist Members and of some of the Independent Members who have joined them and for whom I entertain the greatest respect, there has not been a full response to the national demand for full responsible government. Now, I may tell this House at once that the goal of full responsible government is the goal to which every party in India, whether it is the Swarajist, or the Nationalist, or the Moderate party to which I belong and which is perhaps now much abused—I think they are called Moderates because they are moderate in their expectations—all of them look forward to the same goal. But, Sir, we part company from our Swarajist friends at the point, namely, if this demand is not responded to, what is the further move we ought to take to achieve our object? Would it be right to meet the want of response by making the Government impossible, by refusing to pass this Finance Bill? I submit in this respect, as I have already stated, the difference between my Swarajist friends and ourselves is this that we confess to the weakness of patience. We recognise fully that by the declaration of 1917 the British nation are committed to the goal of full responsible government. The British people are not free, having regard to their declaration of 1917, to refuse to the people of India a large and progressive measure of self-government. But at the same time, although this demand is not immediately responded to, I have ample faith in the British honesty of purpose and in what I may describe as the innate liberalism of the British mind to believe that at no distant future the British nation will enter into an examination of the demand with regard to which all the parties in India are agreed. It is in that hope and in that trust that I think that I must offer my unstinted support to the Finance Bill, by the passing of which the government or the administration of the counrty becomes possible. In this matter it is a well recognised principle that taxation must be resorted to for financial equilibrium, and we are assured by the Honourable Financial Secretary that unless the Bill is passed in the form in which it has been recommended by His Excellency the Viceroy, the financial equilibrium cannot be maintained.

This brings me to the question of law which has been raised by my Honourable friend, Sir Deva Prasad Sarvadhikary, as to whether the Bill should pass in the form in which it is recommended, or whether it is open to us to pass the Bill with the amendments which have been suggested by him and by my Honourable friend, Mr. Karandikar. Of course, I fully agree with Sir Deva Prasad Sarvadhikary that it is certainly within the competence of this House to move amendments, but the question is whether, having regard to the special circumstances of the present year, it would be wise and just to pass the Bill with amendments. I am not discussing the question, I am discussing only the principle, of the amendments. In this matter, while fully recognising that an examination into the financial proposals might here and there lead to certain cuts in expenditure, or certain surpluses, I think from the opening statement of the Honourable Mr. McWatters that about Rs. 50 to 60 lakhs would be the loss which the Government would sustain if one of the amendments were agreed to. With regard to the other question about packets, I understand the Government are prepared to meet the House in this way that, as they fix the maximum, the Government will see their way to meet the question which has been raised by the Honourable Sir Deva Prasad Sarvadhikary. In these circumstances, I think I am inclined to agree with the view which has been suggested by the Right Honourable Srinivasa Sastri

that we should on this occasion be of a unanimous opinion with regard to the passing of the Bill in the form in which it has been recommended by His Excellency the Viceroy.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, the debate which we have been conducting to-day has been conducted by this House in rather difficult circumstances, and my own difficulties have been increased by the necessity, under which I laboured, that I had to be present in another place for a considerable portion of the morning. It was with great regret that I was forced to be absent from this House when the first speeches where made, including the speech by my Honourable friend, the Finance Secretary, and the speeches by Sir Maneckji Dadabhoy and the Right Honourable Srinivasa Sastri. I should have very much liked to have heard all those speeches. I think I have sufficient notes of them in order to deal with the points referred to, but I wish to express on my own behalf an apology to them for my unfortune inability to be present.

I am very glad to find that there is practical unanimity in this House as to the desirability of passing this Bill. I join very strongly with what I understand was said by my Right Honourable friend, Srinivasa Sastri, that a regrettable mistake had been made elsewhere and its consequences might be really serious unless we can even at this late stage do something to improve the situation. I may perhaps be allowed to express a personal feeling in this matter. It is impossible not to feel a little depressed when one is labouring hard to secure practical results if one finds that hardly any one is willing to begin to approach the subject from a practical point of view. The fact that this Bill comes up to this House without certain proposals which the Government had put forward and which the Government still regard as desirable, and that this House is in difficulties in regard even to the discussion of the Bill, shows I think what a great mistake is made by those who say that the reforms are a sham. The reforms have taken away from the Government of India nearly all power to do positive constructive good to India without the assent of the representatives of the country. The Budget as brought forward contained constructive proposals but, in view of the situation that has arisen, it has had to be shorn of those constructive proposals. It is simply a hand to mouth Budget instead of a Budget which laid the foundations for advance, and that is because under the reformed constitution of India the Government of India are left with certain negative powers of prevention but practically no positive powers of doing more than carry on. They cannot go ahead. I do not want to dwell on the political aspects of this matter because it is not altogether my province and if I do say a word on that subject I hope I shall not be misunderstood. But I feel somewhat depressed at what has happened. The events of the last week and the week before cannot but leave a feeling of sadness in the minds of any one who is working for the same goal as every one in this House is working, the ultimate grant of full responsible self-government of India. I am afraid the events of the last week and the week before have brought joy to no one but Extremists. I am not sure whether Extremists on the Swaraj side are really pleased with what they have done: but I have seen indications of a pleasure (which it is not a pleasure to see) among those outside India who have never ceased to say that the reforms were a mistake and that the idea of implanting self-government in India at any time is an absurd one. If any one is pleased it is they and only they. However, if

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I am depressed, I refuse to be downhearted. There is a humorous side even to this situation. What is it that has happened? The Nationalist Party consisting of people with very different views among themselves managed to get together and arrive at an agreement to ask for a Round Table Conference. I do not think that more than a very few among them really believed in that Round Table Conference. They arrived at a half-way house though none of them believed in it. They got hold of a cuckoo's egg and most of them knew it was addled; and yet they expected the Government of India to join in and take part in the pretence of trying to hatch that egg. When the Government of India had to say as sympathetically as they could that they could not join in, but that they were prepared to adopt proposals of their own and had the whole thing under consideration, and when the Secretary of State in the new Labour Government made a speech which has been pronounced, as I understand, to be unsatisfactory though containing promise, the majority were impatient and they decided to throw out some at any rate of the votes in supply. They decided to throw out some at any rate of the votes in supply which provided for the expenditure for raising necessary revenue and they coupled their action with an expression of opinion—almost a request—that the Government should see that no harm came from what had been done. After a week or more of moderate counsels a sudden decision was arrived at, I understand, at a very late moment to reject the Finance Bill at the second reading. After having voted for a greater portion of the expenditure required to carry on the business of Government for the year, the Assembly refused to have anything to do with consideration of the measures required for raising the revenue. But their action was again coupled with a request,—almost a request—to the Government to see that no notice was taken in practice of what they were saying. It is said that a principle has been established. Now, Sir, my reading of history is that when the Commons of England in the days of the Stuarts refused to vote supplies and to vote taxation they held that it was unconstitutional of the King to raise taxation without their leave. No such claim is made here. The historical analogy seems to me to be an entirely false one. It is recognised that the action of the Governor General in Council in restoring the rejected grants and the action of the Governor General in recommending this Finance Bill is absolutely constitutional. Is it not rather an absurd position which we have reached? Is any good really done by action of this sort? I am afraid that only two things have really been done. One is that the Government of India have been given an opportunity to exercise their reserved powers and of finding out how to use them. A year ago the exercise of that power was protested against very strongly. This year it is unanimously forced on the Government of India and not only that but the elected representatives of the people in another place have by their action shown that they are thoroughly content to leave it to the Government of India and the Council of State to do what is best for the people of India without paying too much regard to the voice of the representatives of the people. Is that not an absurd position? So while one cannot help feeling some regret, I refuse to be downhearted. It has been well said that in this matter sympathy, imagination and patience are required. Periods of transition are always difficult. There is more than one transition going on at the present time. Those who feel the difficulties of the transition period in the Government of India do not need great imagination to sympathise with the difficulties of the transition from Gaya and what went before through Cocanada to Delhi and Simla,

and even those who are not passing through that transition may be excused a feeling of a certain amount of impatience. It is not only they who feel the difficulties of the transition period. It is not only they who are inclined at times to kick against the pricks. What we need is patience all round. We are told by our friends the Swarajists that they are anxious to co-operate but they hasten to add that it might be on their own terms. The Government of India too are anxious to co-operate but they do not go so far as to insist that it must be on their own terms. They are willing to agree to differ on certain major points if that will enable both parties or all parties to get together to work for India. In a matter of this sort standing still is impossible. Standing still may mean going back. *Solvitur Ambulando.* There is much work to be done and there is work which we can do together and by doing it together we shall, I am sure, arrive at the goal more quickly, as we all desire. I feel very strongly in regard to this matter The last two generations have seen an immense change in the world Developments like the Ford car and broadcasting have brought the whole world close together and are making it very rapidly a very tiny place in which all the nations and creeds and colours of the world are jostled against each other and have to find a means of working and of living amicably together. The biggest experiment that is being made and the most hopeful experiment that is being made in that direction is the experiment that is being made by the British Empire, and India is the most central test case of whether that experiment will succeed or not. It is therefore of vital importance that, however much we may be discouraged by this or that little bit of petulance or impatience, we should all refuse to give up our hope, and, even when we feel that a dangerous step in the wrong direction has been taken, we should do all we can to set it right. I am very glad indeed to find that this House, in the words of the Right Honourable Srinivisa Sastri, are determined to do their best to prevent any irreparable damage being done in this matter.

I turn now to the financial questions that have been raised during this debate. The Honourable Sir Deva Prasad Sarvadhikary is anxious to know whether we could not find 60 lakhs out of our revenue of the year with which to reduce the charges on postcards. Unfortunately, Sir, that is not possible. The figures as they stand after the modifications that were made in the Budget during the course of discussions in the other place leave us with a surplus of just 18 lakhs on our estimates with salt at one rupee four annas, and nothing for Provincial contributions. 18 lakhs is not a sufficient sum out of which to meet a charge which will lose us 60 lakhs in revenue. I have another objection to the proposal and that is that, so far as we can make out on the not quite complete figures of profit and loss which are in our possession, the profit and loss account of the post office leaves a surplus of only 24 lakhs. I do not think that we ought in those circumstances to embark on a programme which involves a very considerable subsidy to the cost of postage at the expense of the general tax-payer. In my view the post and telegraph undertakings of the Government ought to pay their way. They ought not to be used as a method of indirect taxation, but they ought in all circumstances to pay their way. I do not mean to say that each individual item must always necessarily be a paying item, but that the Posts and Telegraphs Department taken as a whole should not be carrying the letters and mails and sending the telegrams of the people of India at the expense of the general tax-payer. I hope that in view of that explanation the Honourable Sir Deva Prasad Sarvadhikary will not think it necessary to press his amendment.

THE HONOURABLE MR. C. A. NATESAN: What about the rates on book packets. If I am not mistaken I think the Honourable Mr. McWatters said it could be reduced by executive order.

THE HONOURABLE SIR BASIL BLACKETT: I was about to come to that. The rates which are included in the Finance Bill are maximum rates. The possibility of effecting some reductions here and there and in particular I understand in connection with the book rates is at the present moment under consideration by the Director General of Posts and Telegraphs. I do not want that to be taken as a promise that a reduction will be made. I do not want anybody to come and accuse either me or the Posts and Telegraphs Department of not carrying out a promise. We are considering the matter and it will be considered on its merits in view of the fact that there is a 24 lakhs surplus according to our estimate on the post and telegraph accounts. I should say, however, that in another place it has already been promised that the desire for increased rural post offices should be acceded to and some part of that 24 lakhs surplus may be already earmarked in that direction.

The last speaker but one, Mr. Stokes, attacked the Government for not doing what it would like to do. I agree with almost everything that the Honourable Member said. I have more than once expressed my view that the refusal of the people of India to consider the question of a salt tax at a higher rate than one rupee four annas on its merits is, as somebody else said to me, an ineradicable financial heresy. I believe that both in this House and in the other House if members were able and willing to consider this question solely on financial and economical grounds they would not hesitate to say that the two rupees salt tax is more in the interests of the people of India this year than a salt tax at one rupee four annas. But that is not now the question. Mr. Stokes says we have not the courage of our opinions. I would draw his attention to the Government of India Act which gives the Governor General power to certify that the passage of a Bill is essential for the safety, tranquillity or interests of British India or any part thereof. I believe that a salt tax at two rupees a maund would be very advantageous to the people of India, not excluding the people of Madras and Bengal. But is it essential?

(*The Honourable Mr. H. G. Stokes*: "My opinion is that it is, Sir".) The opinion of the Governor General was that, having regard to the circumstances of the case, we should not be justified this year in putting forward in this Bill any proposals, however much they might be for the good of India—and the proposals in the original Bill were for the good of India and we were prepared to defend them—that no such proposals should be included in this Bill unless at the same time they were regarded as essential. And that is the simple explanation of the contents of this Bill. This Bill enables the Government on the estimates before them to look forward to a Budget which would just balance if our estimates prove reasonably correct. It would just balance in the year 1924-25 and leave us and the Finance Department in particular the pleasant duty of refusing every kind of new expenditure during 1924-25 that is not absolutely unavoidable with a view to securing a balanced Budget again in 1925-26. I know Honourable Members think that it would be quite easy to find crores and crores, perhaps not in this House but they do in the other place—to find crores and crores by a reduction of military expenditure. Military expenditure is always being mentioned. It was mentioned by Mr. Karandikar, but I am afraid, if we adopted his jingo theories, we should require to increase

our expenditure. Mr. Karandikar said that the only people who ought to be consulted about the boundaries of India were the people of India. That would require a very large army if we are to take no notice of our neighbours' views. But, as I have said before, military expenditure has been very considerably reduced in the last two years. It is in process of being gradually reduced, but unfortunately we have still rather large liabilities of a non-recurrent nature which make it impossible to look forward to any very considerable reduction on the amount, recurrent and non-recurrent, that will be required next year. So the only course that is left to us, in view of the situation in which we are put, is, much against our will, to decline to listen for a moment to any pleadings from the Benares Hindu University, the Aligarh Muslim University, the Delhi University and other educational institutions whose claims are being continually pressed upon us.

I have one other point still to deal with, and that is the question of exchange. My Honourable friend, Sir Maneckji Dadabhoy, before I came in I believe, spoke of the new method of effecting the Government of India's remittances. That method consists of combining with the offer for tender of Council drafts in London the purchase by the Government in India of sterling for rupees. That policy, as I am glad to see is recognized by my Honourable friend, has been on the whole very satisfactory, whether judged by the amounts remitted or by the rates which we have secured. But in addition to its value in securing our remittances in a satisfactory way, the new system has hitherto been very useful in steadying the market at times when exchange might otherwise have risen very sharply. We have been able, that is, not only to obtain our remittances at satisfactory rates, but to avoid very sudden jumps up in the market, with corresponding falls shortly afterwards which tend as much as anything else to upset trade. The results of our operations in the last year have been that we are now in a comparatively satisfactory position in regard to our requirements for the coming year. At the present moment we are in the position of not requiring any loan so far as we can foresee, any sterling loan in London, as against £15 to £18 million sterling a year ago, and in addition the actual amount which according to our Budget estimates we require to remit to London to cover our expenditure outside India is smaller this year than the estimate at this time a year ago. Just lately I have noticed in the financial press one or two unfavourable comments on what has been the action of the Government in the last few weeks. The intentions of the Government seem to have been slightly misunderstood. It was announced that until further notice the Secretary of State did not propose to sell Councils. That seems to have been taken in the market here as an indication that the Government of India had no intention of attempting themselves to secure sterling by purchases here. There was, so far as I am aware, no justification for that view, and no such statement was ever made to that effect on behalf of the Government. At the time when that statement was made exchange had been falling, but shortly afterwards it began to rise for one or two days rather rapidly, and in accordance with what is their general policy when exchange proves to be strong and the rate is considerably higher than that at which it has been recently standing, the Government of India came in as a buyer. That action has been unfavourably commented upon, but I do not think that there was any justification for the expectation that the Government of India would keep out of the market; and I would add that it is just by coming in when there is a sudden rise of that sort and taking advantage of the opportunity that the Government of India are enabled

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not only to get their own remittances at a reasonably good rate but also to steady the market and to prevent an unduly sudden rise. I think that answers fully the points raised by my Honourable friend, Sir Maneckji Dadabhoy. I have no notes of other direct questions of a financial kind that were asked during the debate. I should like to protest against the Honourable Mr. Natesan's suggestion that I should manipulate the Budget next year—I do not like the word—in order to secure something for Madras.

THE HONOURABLE MR. G. A. NATESAN: In a way that is well known to financiers.

THE HONOURABLE SIR BASIL BLACKETT: It is a financier with a big F, I think, that manipulates figures in that way.

Mr. Abdul Karim, I think it was, quoted from the speech of the Honourable Finance Member in Bengal a passage which is so apt that I began to try and take it down. I did not catch the whole of it but it might be a speech on our own Budget:

> "We cannot look on this Budget with any great satisfaction. It makes no provision for development and allows for no progress. It merely permits the carrying on of the administration in its minimum essentials and that too only by drawing to some extent on our reserves."

There were other passages in the quotation which seem to me to be extraordinarily apt, so that I should like to associate myself with the whole of it. I hope that none the less we shall not forget that this year we have a Budget which balances; and if we cannot look forward to an early relief of the provinces and an early remission of taxation, we are at any rate in the position of knowing that we have been able to effect a reduction of taxation for the first time after a very long and weary period of additional taxation.

THE HONOURABLE SARDAR JOGENDRA SINGH (Punjab: Sikh): Sir, I rise to support the Finance Bill; and I want to say to Sir Basil Blackett, "Be of good cheer, the heart of the country is sound." The difficulties with which we are faced are of our own creation. The Government are holding on with one hand to autocracy. On the other side, flouting that autocracy of emasculated officials and non-officials are Moderates and Extremists. The sooner we settle down to realities, the sooner will the destinies of this country be in safer hands. I may ask Sir Basil Blackett, as he complained that he did not get the co-operation of the other House, how he has tackled the other problems which affect the millions of this country. Has he taken up the incidence of the land revenue to which millions are subjected in this country in the inquiry that he promised he is going to institute? How is he going to get the agricultural interests represented? Then, again, Sir, I ask him what has he done to create agricultural wealth and credits which would immensely help the prosperity of the country, which will enable him to do things for India with confidence? I frankly admit the great work he has done in establishing our finances on right lines, in effecting the necessary economies and in stabilizing exchange as far as it lay in his power, but there is other great work that lies before our Cabinet Ministers, and that work is making India prosperous and inquiring into and finding out what India really wants and in taking these problems up seriously; and as I am on this point, I again draw his attention to the land revenue problem which for years has been going round a-begging and which the Government of India have always refused to tackle. Then again, Sir, as I have it in mind, I should like to ask our Member in charge of Lands how he is trying to increase the produce from the

land. What we expect from our Ministers now is a constructive programme which would give better results for the country. There again we find nothing doing. I would draw attention again to a lecture recently delivered supporting the view which I recently presented to the House. Here again the Ministers have given us nothing. We want a programme which we could go and present to the country.

Then again, Sir, coming to the Commerce Member, I do not see why the separation of the Railway and general finances should be delayed. It is wanted by the country and it should be taken up as soon as possible. Why should we not sell one of our railway lines outright to the country and thus introduce a new element in our finance? Here again, Sir, if these three Members for Finance, Commerce and Lands, combine and give us a policy and a programme, I have absolutely no doubt that India will fling away any fear of becoming bankrupt and work up to maintain stability.

I think, Sir, the Leader of the House, when speaking, asked us to do certain things because it would produce a greater effect outside. The sooner we realise a policy for the good of the country the better, and not try to produce any effects outside at all. Then, Sir, I do not want to detain this House longer—we have already discussed a good deal of politics. I only want to say one word. It is this. We who live in the districts know the good work that the British officer is doing, his self-sacrifice and his devotion to the service. All we ask him to do is to change his angle of vision and associate himself with the attainment of Swaraj which is dear to every Indian here. We do not want him to stand on a pedestal and say, " This Swaraj is a dream and cannot be attained." We want him to share with us the work and work with us towards its attainment. If he does so, I can assure him, as in the past, so in the future, he will lead India and he will command the heart of India. I do not see, Sir, why we should be afraid of this Swaraj at this transitional period. Why should we set any limit and say it cannot be done? Why 5 years or 10 years? We should hopefully work towards the attainment of Swaraj and if we do so I have hardly any doubt that we, Englishmen and Indians, will join in greater harmony of heart in the accomplishment of the great work that lies before us in India. There are great dreams to be dreamed in India, in making India, the brightest jewel of the Empire, the centre of the world. The economic unity of the world will be established by India, and I think in this work we should all join together and not half-heartedly in the onward march of India towards the attainment of Swaraj as a means for the greater welfare of India.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: I move, Sir, that the question be now put.

THE HONOURABLE THE PRESIDENT: I do not wish to put the closure but I suggest that, as the House has discussed this motion since 11 o'clock this morning, the House may be ready to decide it now as Honourable Members representing all parts of the House have spoken. I see that there are others who wish to speak but they will have further opportunities of speaking on this Bill.

The question is:

" That the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Council will now proceed to a detailed consideration of the Bill. We will reserve the Preamble as usual.

Clause 1 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 2 do stand part of the Bill."

THE HONOURABLE MR. S. VEDAMURTI (Burma: General): Sir, I find that to-day I am not in luck's way. I have tried my best to catch the President's mysterious eye from morning, but I find that I have only just succeeded in doing so. Well, the ill luck is the same ill luck that dogs the province of Burma which I represent in this House. Our complaint is that the interests of Burma are not treated with consideration by the Central Government, if sometimes they are not sacrificed. Honourable Members have already spoken from the provinces of Madras and Calcutta on behalf of those provinces, and I feel it is my duty to say a few words on behalf of the province which I represent in this House. There was a time, Sir, when Burma was regarded as a burden on the Indian Empire. If I am not mistaken, it was the late Mr. Gokhale who said in the course of the Budget discussions in the old Imperial Council that Burma was a millstone round India's neck.

THE HONOURABLE THE PRESIDENT: I do not wish to interrupt the Honourable Member but the clause we are now discussing refers to the salt tax.

THE HONOURABLE MR. S. VEDAMURTI: Sir, I was not given an opportunity of speaking on the motion.

THE HONOURABLE THE PRESIDENT: It is quite impossible for every Member to speak on every motion that comes before the House. The Honourable Member must now address himself to clause 2. This clause deals with the salt tax.

THE HONOURABLE MR. S. VEDAMURTI: I was merely going to say that that description is not true to-day. To-day Burma, I am going to show, is regarded as the milch cow of the Indian Empire. Only the other day, when several non-official Members in the course of the discussions in the Burma Legislative Council, complained that the industries and nation-building departments are being starved, the Honourable Mr. W. J. Keith, the Finance Member, said:

"The reason why Government had not done more for industries was because it was first the business of the Government to keep order. There had been no money to do anything else. Members might know or at least some of them might know from the past history of the financial relations of this province with the Government of India for very many years, that this province had been starved for funds, so that at the beginning of the Reforms, they found themselves unlike the provinces in India far from being properly equipped. They were lacking suitable public buildings and their roads were mostly tracks which in any other country would not be called roads at all."

Sir, it means that Burma has no money to discharge one of the elementary duties of a civilised Government.

THE HONOURABLE THE PRESIDENT: The Honourable Member appears to be disobeying my direction that he must bring his remarks within this clause which deals with the salt tax. I understand that this clause does not apply to Burma.

THE HONOURABLE MR. S. VEDAMURTI: Well, Sir, speaking about the salt tax I can say to this House that the revenue from salt has increased, and, instead of 4⅔ per cent. which Burma is expected to produce, she has contributed 7 per cent. which is 2⅓ per cent. in excess of the figure as due from that province. And at what cost? The cost is that nothing could be done to foster the salt boiling industry in the province, for the expenditure will have to be met out of the provincial funds while the revenue is credited to the Central Government. By the way, may I ask the Government of India what has happened to the recommendations of the Reforms Committee that salt should be declared a provincial subject? That recommendation is nearly three years old. I want to know whether it has been shelved. The Honourable Mr. W. J. Keith, the Finance Member, again speaking in the Burma Council the other day said:

"The main object which the Local Government has in view in asking that salt be declared a Provincial subject is to enable it to devise further measures for the protection of Burma salt against foreign competition. So long as salt remains a Central subject it is not probable that the Government of India will consent to spend funds on its protection. Duty on foreign salt is levied by the Officer of the Customs Department and it is collected at considerably less cost than the excise duty on local salt, as the supervision of local manufacture involves the entertainment of a large Preventive Establishment."

Sir, during the war Burma was self-contained so far as salt manufacture was concerned. Sir Richard Dane, speaking the other day before the Royal Society of Arts said that the future of the local industry in Burma was doubtful. He also said that although imports of foreign salt decreased the output of local salt was increased proportionately. My complaint is that sufficient funds are not allowed to the Burma Government, and thereby our industries, especially the salt industry, suffer.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): It is a great pleasure to me to see that the Government of India have found it possible to reduce the salt duty from Rs. 2 to Rs. 1-4-0 as provided in this clause. I think it is a great victory for the Members of this Council as well as of the other House and the people of India as a whole to have been able to force upon the attention of the Government of India the necessity of a reduction in the salt duty. Honourable Members may remember how heated a discussion we had on this point last year and the year before last, but the Government of India took no notice and the salt duty was raised last year from Rs. 1-4-0 to Rs. 2-8-0. In the original Finance Bill it was proposed to fix the duty at Rs. 2 per maund, but many of us were prepared to put forward amendments against it. But now it is a great pleasure to see that the Government of India have after all found it possible to restore the duty to what it was before, namely, to Rs. 1-4-0. Sir, some of the Members of this Council have referred to the reduction of contributions from the Provincial Governments provided that the salt duty is not reduced to Rs. 1-4-0 but to some other figure. I should also have taken the same line because my province, namely, the United Provinces of Agra and Oudh, also, like the other provinces, would have got at least a reduction of Rs. 30 lakhs a year. But, as I have said before, I prefer a reduction of salt duty to a reduction of Provincial contributions at present. It is possible that next year there may be a further surplus, and as Government have recognised the necessity of reduction in the Provincial contributions, it is possible that we may have a reduction next year. But this year the reduction in the salt duty will be welcome to the country and the action of the Government will be praised by all the people. Therefore, Sir, I congratulate the Government on their action in restoring the salt duty to Rs. 1-4-0.

THE HONOURABLE MR. K. V. RANGASWAMY AIYANGAR (Madras: Non-Muhammadan): Sir, I have always held that the Government are more responsible when they are left to themselves as in the case of a certification of a measure than when they govern with the aid of Councils. My conviction has been corroborated by the events that have taken place in this Session. First of all, Sir, the Finance Member in his speech said that nothing short of Rs. 2 per maund as salt tax would meet the needs of the Budget. But now, when the Government were forced to certification, they have reduced the salt tax from Rs. 2 to Rs. 1-4-0 per maund. This has corroborated my conviction that, if the Government, are forced to enact a measure under certification, there is more responsibility and great care is shown that the minimum needs of the Government alone are met with and so an enhanced duty on salt is not imposed. Sir, the Councils are existing now only to record the decrees of the bureaucracy. Now I am glad the increased responsibility in the Government is due to the action of the Swarajist Party. They have forced the Government to certification and thereby to be more responsible.

6 P.M.

In this connection I do not know whether I am permitted to refute the remarks of the Honourable Mr. H. G. Stokes who said something about a telegram from the Members of the Madras Council to the Members of the Legislative Assembly about the salt tax. He said that it was the view of the Madras public that this salt tax should be fixed at Rs. 2 per maund. I should refute that statement at the outset. Some 60 Members sent a telegram to the Members of the Legislative Assembly asking them to accept Rs. 2 per maund and press the Government to reduce the Madras contributions. I cannot understand, Sir, why this difference between Rs. 2 and Rs. 1-4-0 should be earmarked for the reduction of Provincial contributions. Why not the opium revenue, the liquor revenue or some other immoral revenue be set apart for the amelioration of the Madras depressed classes and for the reduction of the Madras contribution? I cannot understand this thing. We have heard that people are held as hostages on the frontier for a particular purpose. I understand also this salt tax is treated as something like a hostage for the Members' assent if they wanted the provincial contributions. Sir, I would prefer that this salt tax should be abolished altogether, but I am glad that it has been reduced to at least Rs. 1-4-0, the original duty fixed upon it. Last year it was stated that this salt tax should be fixed at Rs. 2-8-0. But by certification we have not had any tangible results and the Government have been defrauded to a very large extent by the leakage of information that there would be a salt tax in February last year. I am glad, Sir, that it has been reduced from Rs. 2 to Rs. 1-4-0 per maund, and we see that there is greater responsibility in fixing it when Government are forced to enact a Bill by certification.

THE HONOURABLE PANDIT SHYAM BIHARI MISRA (United Provinces: Nominated Official): Sir, like my Honourable friend, Mr. Stokes, from Madras, I rise to express my regret that it has not been found possible to give any relief to the United Provinces in the matter of their Provincial contribution, from which they are suffering very heavily. Of course, I would not expect the Honourable the Finance Member and the Finance Secretary to be magicians. They cannot wave the magic wand, create funds, reduce taxes and also give relief to Provinces. All these things are impossible, unless they can command some magic at their disposal, which they apparently do not and cannot. But at the same time the question was what was the more urgent, the reduction of the provincial contributions or the reduction of the salt duty? The Government of India have now

decided that the salt tax must be reduced and I have no doubt that they have done so in deference to the expressed wishes of most of the elected Members in the other Chamber as well as in this House. This means a great concession to the wishes of Members, for which I suppose the country will be glad no doubt. But so far as my province is concerned, we are very badly off with the heavy Provincial contribution that we have to pay and our beneficial services are being more or less starved. The thing is—I do not want to be misunderstood—every tax is unpopular, and of course the salt tax is unpopular, especially as it touches almost every individual. But Government cannot go on without taxation. It is impossible to carry on the administration without taxation and we have to see which tax is the best and the lightest to which we can resort. When comparing two taxes we have to see their relative importance, their utility and their advantages. So far as my humble opinion goes, I think it was more necessary in the interests of the United Provinces and some other provinces to reduce and gradually extinguish our Provincial contributions than to reduce the duty on salt from Rs. 2 to Rs. 1-4-0. With salt duty at Rs. 2 per maund, the salt is selling at 11, 12 or at least 10 seers a rupee, and one man cannot consume more than one seer of salt in a month. The cost would come to half a pie per day per head, and it cannot be too much for the people. I have admitted at the very commencement that every tax is unpopular and I do not pretend that the salt tax is not unpopular, but there is a choice between two evils and I think that to refuse to encourage the nation-building services (such as education, sanitation and other matters), so that the people may not have to pay even half a pie per head a day, is not very desirable. But now that the Government of India have thought fit to do this, we cannot but submit to it, but as a Member from the United Provinces—of course, I have been nominated to the Council by His Excellency the Governor General but no doubt His Excellency knew that I was coming from the United Provinces and I am sure I am not committing any sin if I plead for my own province—I am emphatically of the opinion that the United Provinces wanted a reduction in their provincial contribution more than a reduction in the salt duty. (*Cries of* "No, no.") That is my opinion, and that is my honest opinion; it is a question of difference of opinion. (*An Honourable Member*: "This is the official opinion.") No, besides being an official, I claim to be also a man; and I am as much a man as any non-official Member of this Council. As a man who takes some interest in the good of his country, as a man who takes a pride in his country and one who claims to be as patriotic as any non-official, I do believe that a reduction of the Provincial contribution and its gradual extinction would have been of far greater good to the United Provinces than this reduction in salt duty. No doubt, we have to submit to the inevitable; I have nothing further to say.

THE HONOURABLE SIRDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, the circumstances which have necessitated the introduction of this Bill in this Council are regrettable not only from the financial and economic point of view but also from the political point of view. The relief which appeared to be within the grasp of some of the Provinces at one time seems to have vanished not only for this year but I am afraid for some time to come. More than that. The opportunity for the working of the reforms to their best advantage has been allowed to slip by and that too at a time when the Government of India and His Excellency the Viceroy are whole heartedly with us in our aspirations. Nothing could be more unfortunate than this. In the exigencies of the present situation the

[Sirdar Charanjit Singh.]

Government of India have introduced the present Finance Bill with the salt duty fixed at Rs. 1-4-0. It has come with His Excellency's recommendation and I think it is our clear duty to support it. It is to be hoped that the benefits of reduction in taxation will filter down to the people and that the Government and the Provinces will reap the reward of the sacrifice they are making in the gratitude of the masses. I support this Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 2 do stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

THE HONOURABLE THE PRESIDENT. The question is:

"That clause 3 do stand part of the Bill."

THE HONOURABLE MR. S. VEDAMURTI: So far as Burma is concerned, I find from a telegram that I hold in my hands that the imposition of a tax under this clause will be a great hardship. Three match factories in Rangoon, the Mahlmagon Match Factory, the Muslim Match Factory and the Rangoon Match Factory Works have sent me a telegram to the effect that the imposition of such duties would cripple this infant industry in Burma. The telegram says:

"We who have lately started match factories find ourselves greatly handicapped owing to the new levy of heavy specific duties on boxes and splints. Properly nursed for a couple of years or so, this industry has great future possibilities. Much spade work for boxes and splints-making is still necessary. We strongly request your refusal in levying any specific duties as that would immediately bring to a dead stop the newly started factories working for the present with import boxes and splints with prospects of replacing the imports of these goods by locally made boxes and splints in course of time only."

That is the telegram. I understand from my friend, the Honourable Mr. Dawn, my colleague who represents the Burma Chamber of Commerce in this House, that amid the vast forest resources in Burma suitable usable wood for splints and boxes has not yet been discovered. The object of these companies is, I find, therefore not to evade the imposition of any tax for all time but to start the new industry with the help of imported splints and boxes and thereafter to substitute them with Burma materials, when proper wood is found. It is true that there are possibilities of finding out the right sort of wood for making the splints but they say that it would take time. When we talk of the need of Protection for new industries such as steel, is it fair to tax the splints and boxes imported into this country when the match industry is still in its infancy? The free import of splints and boxes will for the present act as Protection to this new industry. Let me exhort the Finance Member to pause and consider whether he cannot dispense with this tax for the present.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): I sympathise with the Commerce Member in his difficulties as to how he would tax imports and yet do it in such a way as not to kill or damage any newly started industries. As my friend Mr. Vedamurti said, a number of new industries have been started in Bombay also. At the same time in Bombay we have some old-standing match factories which are using indigenous wood. One of them and perhaps the most important

is the Gujerat Islam Match Factory. In this connection I want to say something about what my Honourable friend Sir Deva Prasad Sarvadhikary said. He said that he wanted some assistance and concessions from his Government. His Government did not give it. In my province it is about 20 years back that the officer who was the Commissioner of Gujerat gave concessions to the Gujerat Islam Match Factory as regards the forest produce of Gujerat. Bombay thus takes the lead as regards assistance given by Government to infant industries. The agents of the factory have sent round circulars to the Members in which they say that those who use indigenous wood should have some protection against newly started industries which use imported splints and boxes. Moreover, it means a loss of income to Government. Government therefore must have sufficient income and must not allow the new industries to be put on a better level than those industries which are using indigenous wood. Mr. McWatters made clear in his opening speech the fact that new industries will have to pay this duty which has risen according to his calculation 25 to 30 per cent. but according to my inquiries about 15 to 20 per cent., so that they would not really be so hard hit as the senders of the telegram to Mr. Vedamurti tried to make out. The step that the Government are now taking protects the old industries that are using Indian wood and also gives sufficient protection to those industries which have been recently started. At the same time it will bring more income to the Government. I therefore support this motion.

THE HONOURABLE SIR CHARLES INNES (Commerce Member): The Honourable Mr. Lalubhai Samaldas has anticipated most of what I was going to say. Mr. Vedamurti has complained that the duties which we propose to put on imported splints and veneers will ruin the new industry which has lately sprung up in India. I should like to say on behalf of the Government at once that we have no animus against this new industry, but the fact of the matter is that we do not think it right that we should sacrifice over a crore of revenue in order to protect this new industry. After all what does this new industry consist of? We have been compelled to impose upon matches imported into India an exceedingly high duty of Rs. 1-8-0 a gross. It is equivalent to something like 200 per cent. I may say at once that, though that duty sounds very high, yet the incidence is so widely distributed that it is not felt very much by the people. But as always happens when you have a very high duty of this kind, the trade looks for ways to get behind that duty and with great skill and cleverness the match trade has managed to get behind the duty. It has discovered that, if they import from Japan and from Sweden untipped splints and the veneers of match boxes and the necessary chemicals, they have to pay on these component parts only a duty of 15 per cent. That duty on a gross of boxes comes only to 2 annas against Re. 1-8-0 on imports of finished matches. All they have to do is to make the tipping mixture as it is called to tip the splints with the mixture to glue the veneers into boxes and to put the matches into the boxes. All that does not cost very much, and the consequence is that they get such an enormous advantage by this tipping method that our information was that, if we did not take immediate action, we should lose a greater part of our revenue by July next That is to say we should sacrifice, as I said just now, nearly a crore and a half of revenue in order to protect an industry which after all merely consists in assembling in this country the component parts of finished matches. I think the Council will agree with me that it is not worth while

[Sir Charles Innes.]

to sacrifice that amount of money in order to help an industry of this kind. Further, as Mr. Lalubhai Samaldas pointed out, if we protect this assembling industry, it will interfere with those manufacturers in India who are trying to make matches in India out of indigenous wood. I think we can claim that our proposals have been very carefully elaborated. In fact I may say that we have been congratulated by the trade on the extreme accuracy of our information. We can claim also that we are still giving certain advantage to what I may call this assembling or tipping industry. We have worked out that our proposals involve a taxation on matches manufactured from these imported splints of Rs. 1-2-0 a gross. That is to say, they have a margin of almost 6 annas as against the importers of the finished match boxes. That margin we have ascertained is quite sufficient to cover the comparatively small cost which they incur in this country in tipping the matches and in glueing the boxes together. I think that, in view of this explanation, the Honourable Mr. Vedamurti will see that we are entirely justified in the proposals we have made.

There is another point I should like to mention. I think it is quite certain that the larger firms, which have started the importing of splints and matches in this way, will now go a step further. They will probably start importing wood in the log whether it be from Sweden or Japan.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Orders are being placed for them.

THE HONOURABLE SIR CHARLES INNES: My information is also to the same effect, namely, that these firms will go a step further and start importing wood in the log from Sweden or Japan. If the wood is imported from Sweden or Japan, and if the splints are cut in this country and if the veneers are made in this country, then that will be a real genuine industry. At the same time it will set up circumstances which undoubtedly my Honourable friend on the right (the Honourable Sir Basil Blackett) will have to take into consideration. I do not for a moment suppose that the Government of India will impose on an industry of that kind such taxation as will tax it out of existence, but I think we may find it necessary to impose some amount of taxation on that industry. That I think is as far as I can go at present. I should like to make that statement in order that, if the industry is started, it may not be surprised that we have in some way to tax them.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 3 do stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 4 do stand part of the Bill."

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, in connection with clause 4, Schedule II, I have given notice of three amendments. The first of these amendments . . . .

THE HONOURABLE THE PRESIDENT: Would the Honourable Member mind raising his voice. I cannot hear him.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: The first of these amendments is:

"A single postcard .... three pies instead of half an anna."

A great deal of salt was attempted to be rubbed into me morning and evening and I am nearly cured. But, Sir, the Honourable Mr. McWatters and those following him, including the Honourable the Finance Member, referred to one or two matters . . . . .

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): On a point of order, Sir, may I ask what the three amendments are? There are only two down.

THE HONOURABLE THE PRESIDENT: I do not think the Honourable Member has moved any amendment yet.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am moving.

THE HONOURABLE THE PRESIDENT: Which amendment? He cannot move all three together.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: No Sir. I am moving the first—

"That in Schedule II to the Bill for the entries under the heading 'Postcards' the following be substituted, namely:

'Single	..	..	...	... three pies.
Reply	...	...	...	... half an anna.'"

THE HONOURABLE MR. A. H. LEY: My point was, what are the three? He has only sent notice of two.

THE HONOURABLE THE PRESIDENT: On my paper the Honourable Member has one amendment relating to single and reply postcards and another amendment which refers to Book, Pattern and Sample Packets. That makes two amendments. Am I to understand that the single postcard makes one amendment and the one referring to the reply another?

(The Honourable Sir Narasimha Sarma indicated that that was what was meant.)

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am moving that amendment Sir, and the point with regard to which I desire to draw attention and which has not been quite explained is how this House is to take 24 lakhs of rupees as the profit, the net profit as it is called, and not Rs. 1,11,49,000, which is shown as commercial profit on page 3 of Appendix A of the Postal Department Budget. I was referred this morning to paragraph 7 of the note on that page which reads as follows:

"It will be clear therefore that the contribution to general revenues made by the Post and Telegraph Department as shown above is composed of two elements. The actual profit estimated during the year as per profit and loss account and (2) the amount by which reduction of the stock balance exceeds expenditure on the post office buildings and stores . . . "

I desire to lay stress upon the word "buildings".

"The net figure reached as a result of transactions under (2) represents the return to general revenues of sums previously taken from general revenues for investment in stocks."

[Dr. Sir Deva Prasad Sarvadhikary.]

The first question that one would put to oneself is, under what orders or resolutions this appropriation of what is called contribution to general revenue came to be made? With regard to Railways I know that it is a moot point as to what proportion of contributions ought to be made. In connection with the railway question I drew the attention of the House this morning to the fact that Lord Meston's award made it 10 crores and a half, or thereabouts, a verdict which was supported by the Inchcape Committee. What the budget proposes now, is a lesser amount. I have no quarrel with that now. I say that so far as that contribution as it is called to the general revenue or, shall I say, absorption of this amount by the general revenue is concerned, I have some quarrel with the process that is described in the note. I will treat buildings and stores separately. With regard to stores perhaps the Government have a stronger case than with regard to the buildings, because it is but right that, in view of future development and the likelihood of India being able in the very near future to supply stores for the Post and Telegraph Department, as well as for other Departments, that the question of stores should be dealt with on a different basis altogether and the existing stores should be got rid of quickly. But with regard to buildings, Sir, if my information is correct—and I am open to correction—these buildings have largely come out of the surplus balance of the Postal Department for a series of years. It is only recently that, owing to reasons that we need not go into now, due perhaps to the amalgamation or other causes, the Postal and Telegraph Department have not been paying as well as they ought and had done in the past. It was in those fat years that these buildings came to be built. There was no commercial system of keeping accounts in those days—commercial accounting has been introduced recently. But the question is, if you have this year a crore and 11 lakhs to the good as you undoubtedly have, is it just that a Department that requires so much development should have the whole or nearly the whole of its well-earned surplus absorbed by the costs of buildings which had taken many years to build up are now proposed to be absorbed back in the General Revenue in a year or two years? That is the proposition to which I am unable to assent in the absence of any other explanations. If, on the other hand, it was spread over several years, as it ought to be, I think some of that crore and 11 lakhs would be available for the same purposes as what is called 'net total' on page 2 of the same statement—the net total that is shown as Rs. 24,38,000.

Then Sir, I have referred to the need of development in that Department. I recognize the needs are great. The rural system has to be developed; that has been referred to. There is also the question of pay and pensions. I do not know what the Department would be able to do if the whole of that question was to be taken up in the way the Department itself has suggested. I know there is strong opposition in the Department itself to a reduction in the rates of postcards. They have put forward a scheme of "irreducible minimum" of salary. And as regards revision of salaries so far as the menial and clerical staff alone is concerned, that would require about three crores, and if the superior staff is to be taken into consideration it would come to about four crores. I do not want to quarrel with any benefactions the Department may be able to give to its officers whose pay was revised in 1920 when prices were 60 or 70 per cent. lower. We must recognize what the post office has been trying to do for us—the admirable one anna envelopes, for example, which have been quite thrown in, are absolutely full value for the money. Then probably the post office will be listening to representations

that there ought to be more writing space on the postcard itself, more writing space on money order coupons, and little things like that I know take money; and from that point of view as well as from the point of view I am pressing before the House now, is it right and just that the whole of this one crore and 11 lakhs should be by one stroke of the pen put down as contribution to the general revenues? I did not quite follow the Honourable Mr. McWatters this morning, but so far as I know, I believe the whole of the capital outlay is paying interest now, if the capital itself has not been paid up. If it is not paying interest I am afraid that under the scheme of commercial accounts provision for payment of interest may have to be made, so that both sides of the accounts may be balanced. But the point that I would like to lay stress upon is that at least a large portion of this one crore and eleven lakhs ought to be available for postal purposes, be it for the reduction of the postcard rate or be it for developments of the kind that I have indicated. I am glad to have an affirmation of the principle laid down in Mr. Clarke's admirable book some time ago that the Post Office and Telegraph Office ought not to be regarded by Government as a revenue-producing Department but it has to be popularized. We have had figures this morning which show that there was certainly a fall in the postcard revenue when there was an increase in the rates. There has been some recovery, and we have been told that the falling off was not so much in the mufassil as it was in the cities. The Honourable Mr. McWatters forgets that it is the misfortune of the country that the people are now rushing to live in the cities, and the countryside is being absolutely neglected; that is the reason why he finds that the fall in the number in the cities is more than in the mufassil, in the country, where there are few people left to carry on correspondence through postcards (Laughter.) My friends laugh, but if they will study the history of big cities like Calcutta, Bombay and Madras, and the question of congestion of houses, they will find that as much of the population as can possibly crowd itself into these cities and the lesser cities and district towns, are doing that. It is a case of downright deserted villages,—whether due to malaria, as surmised by my Honourable friend, Nawab Sir Umar Hayat Khan, or for other reasons. Whatever the reasons may be they are not healthy. Therefore, we can take no solace to our hearts because it is only a 5 per cent. falling off in the country regarding postcards and more in the cities.

There is another aspect of the question. If the falling off is more in the cities, why, it shows that trade is suffering. A very considerable quantity of postcards are used for trade purposes, and trade is suffering, and that is not good for anyone, either for the city, or for the country or for the people. All these points of view, Sir, make me think that if a large portion or at all events a fair proportion of this one crore and eleven lakhs be allowed to be absorbed by the Post Office and not allowed to be appropriated by Government for general purposes this year and be added to the net profit of Rs. 24 lakhs—the Department ought to be able to give us cheaper postcards and other improvements. We ought not to forget that, if the rate is lowered, there will be further recovery, and what is apprehended, namely, a loss of 60 lakhs of rupees will not happen. Greater popularity of postcards, with the gap of an anna between the envelope and the pice postcards will not lead to greater loss. I think my Honourable friend knows, and most of our friends know, that the postcard is confined to a certain class of correspondence and the letter to a certain other class. There may be a little crossing of the border in a way considered undesirable by the Government, but I do not think that the fact would materially affect the issue. The major question

[Dr. Sir Deva Prasad Sarvadhikary.]

is how much if any portion of that crore and eleven lakhs is available for postal development proper. I see the Honourable Mr. Chatterjee is constantly shaking his head, and I am afraid I shall have a very poor chance with my amendment if he does not lend me his support, particularly in view of the appeals made morning and evening to-day. Unless I can induce him to part with some of that one crore and eleven lakhs, I do not think that I shall have much hope that the amendment will be successful.

THE HONOURABLE THE PRESIDENT: Amendment moved:

"To Schedule II of the Bill the following amendment moved:

For the entries under the heading 'Postcards', the following be substituted, namely:

Single	...	...	...	...	three pies.
Reply	..	...	...	..	half an anna."

That amendment is now open to discussion.

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise reluctantly to oppose the amendment, not because I or the people generally do not like the reduction to be made in postal rates, but simply on the ground that, under the constitution, we must either accept the recommended and certified Bill or reject it. At the same time, Sir, I must express to the Department of Posts and Telegraphs my regret that, notwithstanding their having made a saving of Rs. 24 lakhs, it is deplorable to find that the efficiency of the Post Office has very greatly suffered. The number of despatches and deliveries have been curtailed, the letter-box clearances have also been reduced, and the Department which was famous for its punctuality and certainty is no more in that condition now. The fault lies in the shortage of sorters in the R. M. S. stations. I represented this very matter last year, but I am sorry to say that no remedial measures have so far been taken. The only difference that one finds now is, Sir, that last year, although the Post Office stamped letters and postcards with the stamp of the date of posting, now the letters and postcards do not bear the stamp of the date of posting but that of the next day. Again, Sir, one is always uncertain whether the letters which he posts in time will reach their destination in time or not. With these few remarks, Sir, I solicit the attention of the Department concerned to these matters and ask them not to effect savings at the cost of efficiency.

THE HONOURABLE MR. A. C. CHATTERJEE (Industries Member): Sir, I have no desire to detain the House at this hour of the evening. As a matter of fact I believe the Council has achieved a record this evening. I have made various attempts to come and attend this Council, whenever I could get leave from my distinguished Colleague whose place you are going to occupy very soon, but whenever I have made inquiries, I have been told that the Council had risen. I believe my Honourable friend, Dr. Sir Deva Prasad Sarvadhikary, does not quarrel with the dictum which the Honourable Finance Member laid down a little while ago, namely, that he does not look upon the Posts and Telegraph Department as a source of indirect taxation, but at the same time, Government, enjoying a monopoly of this nature, should use it to the best of their power for the benefit of the general taxpayer. Therefore, as a corollary, it should not

be a burden on the general taxpayer. I gather that my Honourable friend's quarrel is mainly with the rather mysterious sum of a crore and eleven lakhs which is shown as a contribution to general revenues, whereas the profit which has been estimated for the Budget year is only 24 lakhs. This represents the difference between the revenue and the actual working expenses of the Department. I wish to emphasize the fact that it is only an estimate, and that we really do not know whether we shall achieve the result of effecting a profit of 24 lakhs. As regards the item of one crore and eleven lakhs, I confess that I was myself rather puzzled when I saw it in this yellow book. However, I made inquiries, and I found that the explanation was very simple. What happens is this. Every year we purchase a certain quantity of stores for the postal system and for the construction and renewal of telegraph and telephone communications. We have as it were to borrow the money for purchase from general revenues. I am looking upon the Department for the time being as a commercial concern. So, when we actually bring the stores into use, their value is charged against the work or service concerned, and naturally the money used for purchase goes back into general revenues. We cannot debit their value twice over in the accounts. What has happened this year is that we propose to use a very much larger sum in the way of utilisation of stores than was ordinarily the case. The reason is that the capital outlay on new telegraph and telephone lines and buildings is higher, mainly because the development of the Department has been starved in recent years in the interests of retrenchment. It has also to be remembered that part of this amount is incurred for railway and canal purposes for which we get a credit eventually. Secondly, we are trying to cut down the stores which we keep in stock. Formerly, the practice was that we kept in stock the stores which we thought would come into use or would be required for 18 or 24 months. Now, we are cutting down the amount of such reserve stocks in accordance with the recommendation of the Retrenchment Committee. This will be borne out by some figures which I should like permission to quote. For instance, in 1921-22 the capital outlay was 72 lakhs, in 1922-23 the capital outlay was 65 lakhs, in 1923-24 it was 96 lakhs, and next year our estimate of capital outlay is 174 lakhs.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is my friend quoting from the published Budget?

THE HONOURABLE MR. A. C. CHATTERJEE: No, from figures I have with me.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Not in the published Budget?

THE HONOURABLE MR. A. C. CHATTERJEE: No, but I am furnishing the information my friend asked for. Then, as regards the stocks we have, we had 270 lakhs last April; by the end of this month we shall have reduced this amount to 196 lakhs and then again by the end of next year March 1925 we hope to reduce the stock to one crore. On the other hand, purchases of new stores both in India and in England will be very much smaller. Naturally, therefore, as we are buying few stores and issuing large quantities from stock the repayment or credit to general revenues will be much larger next year than usual. It is not a contribution in the sense that it is a profit earned by the Post and Telegraph Department. Even if it were a contribution, which it is not, we cannot count on it every year. The amount will be very much less in future years. Then we will really have

[The Honourable Mr. A. C. Chatterjee.]

to depend on the actual profits of the Department as has been estimated. For the Budget year we estimate the profits to be only 24 lakhs and any reductions of rates which my Honourable friend proposes must be based on the estimate of these profits and not on the estimate of any stores that we consume. Now, my Honourable friend has suggested that we might be able to find the 60 lakhs next year out of this one crore and 11 lakhs.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Less than 60 lakhs.

THE HONOURABLE MR. A. C. CHATTERJEE: It is not less than 60 lakhs As a matter of fact, my estimate of the cost of the reduction which my Honourable friend proposes in this amendment is much larger than 60 lakhs. The reduction on postcards only, allowing for an increase in postcards and a decrease in letters, will amount to about 60 lakhs. But in addition we will have to maintain a staff to deal with increasing traffic. The cost of that staff will certainly amount to 10 to 15 lakhs, because naturally the carrying of these postcards will mean a certain amount of cost in railway haulage, in postal runners, in additional staff at the post offices, etc.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Was the staff reduced when the postcard rate was raised?

THE HONOURABLE MR. A. C. CHATTERJEE: Undoubtedly, it was reduced. We have effected a reduction of over 160 lakhs in the cost of the Post and Telegraph Departments. Therefore the cost of the proposal which my Honourable friend is making will come to about 80 lakhs. As a matter of fact, we cannot afford it. As my Honourable friend, Mr. McWatters explained earlier in the day, we cannot possibly afford to lose these 80 lakhs; the result will be that we will not be able to develop postal facilities, which we are most anxious to do. I cannot expect my Honourable friend, broadminded as he is, to give us money for providing new postal facilities, when the department costs him from 50 to 60 lakhs from general revenues. It would be suicidal from the point of view of the Department. As has been stated already by the Honourable Sir Basil Blackett, we have given a pledge for the development of rural facilities. My Honourable friend just now complained of the exodus from the villages to the towns. I believe it is rather marked in his own province, in Bengal. It is not quite so marked in other provinces, such as the United Provinces.

THE HONOURABLE LALA SUKHBIR SINHA: I think it is marked there also.

THE HONOURABLE MR. A. C. CHATTERJEE: My own information is otherwise. Well, if you are going to stop this exodus from the villages to the towns, you must provide ordinary facilities, postal and telegraphic, for the villages. I am afraid my Honourable friend will only hinder the object which he himself has in view, which is that of assisting the people in the villages. I have every sympathy with his object and I think that it can only be gained by providing for more post offices and more telegraph offices in the villages. In order to do that, we must have a small surplus to show to my Honourable friend, the Finance Member, in order to get the money for starting these post offices and telegraph offices. I appeal to my Honourable

friend's anxiety to retain the people in the villages. Let him give us time to develop postal facilities in the villages. Let him give us time to find out how the general revival in trade conditions affects the postal and telegraph revenues. Let him give us time to find out how prices get stabilised in order that we may know how much we can reduce in establishments and so forth. Then it will be time enough to ask for a reduction in postal and telegraphic rates. If you insist on reduction at once, you will only hinder the development of the Department. I wish only for a moment, Sir, to refer to what my Honourable friend, Mr. Ram Saran Das, said about the decrease in the efficiency of the Department. I regret that he should have any reasonable complaint in this respect. I did not know what his exact complaint was, and I shall certainly inquire into the matter, but what I should like to point out is that, in order to make the Department a paying proposition, that is to say, that it should be neither a source of revenue nor a source of expenditure to the general revenues, we have had to cut down the expenditure on the Department by nearly a crore and a half, and naturally you cannot expect the same high standard of facilities to the general public in the way of deliveries and despatches that you could have expected before these retrenchments were made. We are trying to do all we can in this respect. We have got a Financial Adviser to scrutinise every proposal that comes up, not only from the point of view of economy, but from the point of view of earning bigger profits. And all I ask is that this House should give us more time.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, my friend reminds me of the Marwari who could not read his own beautiful script and abused the scribe. I am not going to press the amendment, but his explanation does not satisfy me but amazes me. If he is puzzled by what I have brought to his notice how much more puzzled must I be? As he cannot make anything of it, except with the aid of a long array of figures supplied to him by his office but not to me, I was well entitled to draw my conclusions. It is no use my pressing the amendment if Government are determined to give up no portion of the commercial profits.

THE HONOURABLE LALA RAM SARAN DAS: Sir, the Honourable Mr Chatterjee has said that I have not been quite clear on the point as regards the inefficiency of the postal department. With your permission, Sir, I would like to explain what I meant.

THE HONOURABLE THE PRESIDENT: I do not think that is quite a personal explanation. A personal explanation does not mean going into the details of your complaint.

THE HONOURABLE LALA RAM SARAN DAS: He said that I was not clear on the matter.

THE HONOURABLE SIR MANECKJI DADABHOY: You are very clear.

THE HONOURABLE THE PRESIDENT: I understand that the Honourable Dr. Sir Deva Prasad Sarvadhikary asks for the leave of the Council to withdraw the amendment which stands in his name.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: With your permission, Sir.

THE HONOURABLE THE PRESIDENT: Is it your pleasure to give leave to the Honourable Dr. Sir Deva Prasad Sarvadhikary to withdraw the amendment standing in his name?

(The Honourable Mr. K. V. Rangaswamy Ayyangar objected.)

THE HONOURABLE THE PRESIDENT: There being one dissentient voice, I must put the amendment to the House.

The question is:

"That in Schedule II to the Bill, for the entry under the heading 'Postcards', the following be substituted, namely:

'Single	...	...	...	three pies.
Reply	...	...	...	half an anna'."

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 4 do stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

THE HONOURABLE THE PRESIDENT: At this late hour I do not propose to take up the other clauses of the Bill.

The Council then adjourned till Eleven of the Clock on Tuesday, the 25th March, 1924.

COUNCIL OF STATE.

Tuesday, the 25th March, 1924.

The Council met in the Council Chamber at Eleven of the Clock, the Honourable the President in the Chair.

INDIAN FINANCE BILL—(*contd.*)

THE HONOURABLE THE PRESIDENT: The Council will now resume the adjourned debate on the Finance Bill. We have already added clause 4 to the Bill. The next clause is clause 5.

The question is:

"That clause 5 do stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 6 do stand part of the Bill."

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): May I rise to a point of order, Sir? The Bill, as Honourable Members are aware, is a certified Bill. Having regard to the language of section 67B, clause (*b*) of sub-section (1), of the Government of India Act, it is extremely doubtful whether these amendments are in order. The language of that clause is:

"If the Bill has not already been so passed, the Bill shall be laid before the other chamber, and, if consented to by that chamber in the form recommended by the Governor General, shall become an Act."

The result of this is that it is not open to any Member to carry an amendment successfully which may be incorporated in the Bill itself. That being so, it is a matter for consideration whether we should discuss any amendments which, in effect, have no chance of being incorporated in the Bill itself. In view of these facts I hope you will be pleased to give us a ruling as to whether these amendments are in order and whether we can bring, discuss and pass them, if necessary.

THE HONOURABLE THE PRESIDENT: I have to point out, in the first place, that we did actually discuss amendments yesterday. Therefore the Honourable Member is a little out of time. Secondly, I laid it down when a recommended Bill that was brought forward in the House that it was open to the House to move and pass amendments. But the Honourable Member, since he has asked me for a ruling, would probably like some more detailed reason for the ruling I gave previously. He will find, if he turns up the old proceedings, that this point was raised before. It is perfectly true that, if His Excellency exercises his power, the amendments will have no effect. The fact of the Bill being passed not in the recommended form does not however fetter His Excellency. There is nothing

[The President.]

to compel him to exercise his power. He still has discretion, and it may be that he will not proceed to exercise it. He might consider the Bill if amended by the Council of State was in such a form that he might decline to exercise his power. Government therefore might desire to withdraw the recommended Bill and re-introduce the Bill with the amendments made by the Council of State. In any case therefore the power of amendment is not, as the Honourable Member thinks, a mere formality. There is nothing whatever to prevent this House from dealing with the recommended Bill exactly in the same way as any other Bill. There is no discrepancy between the Statute and the procedure which we are adopting. I might add that the Honourable Mr. Karandikar has not yet moved his amendment. So the point of order is premature.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I am about to take a course which may be inconsistent with the situation through which we are passing. I was not unmindful of the operation of section 48 of the Income-tax Act, but, in view of one circumstance which affected the poorer people, I wanted to see that there was no difference between certain firms, certain companies and those which are dealt with in " A ". The Honourable Mr. McWatters has taken the instance of the rich man who may have occasion to so benefit by the operation of section 48; but I am going to take the instance of the poor man who invests his money in a firm which is effected by " B ". Supposing that his earnings as a shareholder in a company or firm were less than Rs. 2,000 he would still be amenable to the payment of one anna and six pies in the rupee. That was one of the considerations which induced me to put in this amendment. I just wanted to explain the circumstances under which the amendment came to be tabled; but, having regard to what has transpired, I do not propose to move this amendment.*

THE HONOURABLE LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, as we are considering the matter of income-tax I wish to put before the House a few observations. One of them is that under the present rules income-tax is assessed on the annual rental value of houses and not on the actual collections of rent. This puts a great hardship particularly on the poor and on widows. For example, if a widow owns a house, upon the rental of which she has to support herself and family, and the annual rental amounts to Rs. 3,000 a year, and supposing the tenant pays nothing and runs away with the rent, it would be a great hardship for the widow to pay income-tax on the Rs. 3,000. This is really a hardship, Sir, because the income-tax ought to be assessed on the income which actually accrues and not on the income supposed to accrue. The item allowed for repairs to house property is found to be very insufficient and provision should be made accordingly. Whenever the houseowner can prove by documentary evidence that the cost of repairs has been more than what is generally allowed for, an increased amount should be allowed. (*A Voice*: " The amendment has been withdrawn!")

THE HONOURABLE MR. A. R. L. TOTTENHAM (Member: Central Board of Revenue): Sir, in regard to what was stated by the Honourable Mr.

" That in Schedule III to the Bill, the following words be omitted, namely:

(i) ' A. In the case of every individual, every unregistered firm and every Hindu undivided family—'

(ii) ' B. In the case of every company, and every registered firm, whatever its total income ..... One anna and six pies in the rupee.' "

Karandikar, I should like to point out that he is mistaken. In the case of the hypothetical poor man whose taxable income is below Rs. 2,000, and who has invested his money in a firm, he will get a refund of the whole rate of one anna and six pies if he applies for it.

With regard to the other question raised by another Honourable Member, his objections are rather vague and hypothetical, and I am not quite sure that I am in a position to discuss them, but I should be glad to discuss them with him privately at any time. We are anxious to remove all such grievances. I am inclined to think that in the case that he suggests, where a man derives an income from house property, we might in certain circumstances allow rents that were really bad debts to be written off if found to be really irrecoverable, and allow a deduction. I cannot say more than that at present. I am prepared to discuss the matter personally with the Honourable Member and hope to give him satisfaction.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): I would like to ask Mr. Tottenham on what principle income-tax is derived from rents of houses when people have to pay house tax to municipalities.

THE HONOURABLE MR. A. R. L. TOTTENHAM: I am afraid I do not understand the question.

THE HONOURABLE MR. G. A. NATESAN: I consider it a very great hardship that people who own houses should be asked to pay income-tax on the rents derived from the houses when the municipalities of the town also ask them to pay house tax. I should like to know what is the justice of his claim.

THE HONOURABLE MR. A. R. L. TOTTENHAM: I gather that the Honourable gentleman's point is that the municipality should be allowed to tax this source of income and the Central Government should not.

THE HONOURABLE MR. G. A. NATESAN: Exactly. I consider it is wrong to ask a man to pay both the municipality and also to the Central Government.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): May I point out, Sir, that every citizen owes an obligation to the State as well as to the municipality within the jurisdiction of which he may be residing. There are the Central revenues which it is necessary to collect in order to carry on the Central administration. There are also the municipal revenues which it is necessary to collect in order to carry on the municipal administration. And therefore, if such a citizen has to discharge both those obligations, I see nothing extraordinary or unusual or inequitable in that.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Another very hard case, Sir, is that in places where there are private canals the income is taxed, but taxed in this way that the officer once long ago during the settlement decided, namely that each crop irrigated would bring in so much produce and should be taxed at such and such a rate. The rates for grain have been changed, and sometimes the crops irrigated do not mature at all; but one has to pay income-tax all the same. In the same way, before the war, they fixed the clearance of the canals at some figure. Since then one has to pay three or four times more, and even then the same rate remains. So just as my friend here (the Honourable Lala Ram Saran Das) says, all that we want

[Colonel Nawab Sir Umar Hayat Khan.]

is that Government should see the properly kept accounts and see how much we have gained and how much we have spent. But instead of doing that, they go on sticking to the same rate fixed before. I think something ought to be done so that in future the actual income and actual expenditure really ought to be taken into consideration.

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: Sir, I am myself a landowner and own a considerable area of irrigated land, and I do not remember ever having paid income-tax on my income derived from the land.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: I have paid myself. I said private canals, and not Government canals.

THE HONOURABLE MR. A. R. L. TOTTENHAM: I am astounded to learn that the Honourable Member has been paying income-tax on agricultural income. If he will explain to me personally the circumstances in which such an atrocity was committed, I will look into them.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: That is the case.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 6 do stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

The question is:

"That Schedule I do stand part of the Bill."

The motion was adopted.

Schedule I was added to the Bill.

The question is:

"That Schedule II do stand part of the Bill."

The motion was adopted.

Schedule II was added to the Bill.

The question is:

"That Schedule III do stand part of the Bill."

The motion was adopted.

Schedule III was added to the Bill.

The question is:

"That the Preamble do stand part of the Bill."

The motion was adopted.

The Preamble was added to the Bill.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to move that the Bill be passed.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, the motion before the House raises an almost entirely political issue, though the financial considerations arising out of the same are by no means unimportant. Postponing the consideration of the financial questions for a few minutes, let us see what is the political issue that is involved. Sir, under the Government of India Act, 1919, even if we reject this measure, it will become an Act on signature by the Governor General. One of the aspects of the question that we have to consider is, whether we should leave the Governor General and the Executive to bear the entire responsibility for the present measure, or whether we should be prepared to share that responsibility along with the Governor General and the Executive. Sir, as I have mentioned, the moment a Bill is certified, the ultimate responsibility passes on to the Executive from the Legislature. If we, I mean the elected and non-official Members of this Council were opportunists, the best course we could adopt would be to refrain from taking part in the discussion of this measure or voting on it, thereby leaving the sole responsibility to the Executive. On the face of it, Sir, that would offer a great advantage, if advantage it can be called, to us, inasmuch as that would save us from being subjected to those fierce attacks for which we must be prepared as soon as it is announced that this Bill has been passed either unanimously, which I hope will be the case, or with one or two dissentients. But, Sir, that would be a case of our playing the roll of opportunists and acting in a cowardly manner, which I am sure would be extremely distasteful to the convictions of the elected and non-official Members of this Council. Sir, the situation is too grave for us to let this matter be fought out between the Executive and the Assembly. If the Assembly in throwing out this measure had been actuated by any financial considerations or influenced by motives which would not raise a vital question of policy, it would have been open to us to divide this Council on that issue, and to consider the grounds on which action was taken by the Assembly. As it is, Sir, we know that, though they have purported to act on considerations of general policy, yet in fact they have not done so, but have acted in pursuance of a policy with which a section of that House entered the Assembly, and they have thrown out this measure without going into the merits of the case. Sir, I admit that the merits of the case in the present case are broad enough to cover political as well as financial considerations. I for one do not fight shy of arguing the broad political questions. Yet, it seems from the published reports, so far as they have reached Honourable Members of this House, that the sole consideration why this measure was rejected by the Assembly was because they, in pursuance of the ticket on which they had entered the Assembly, considered it their duty to start on a campaign of obstruction and wrecking. I must confess that one of their leaders tried to improve upon the situation by pointing out that the reason why they were taking this action was not because they wanted to persist in a campaign of obstruction and wrecking, but because no adequate response had been forthcoming from the Government side to the demand of the Assembly. Sir, that appears, if I may say so with great respect for that speaker, to be the thin end of the wedge. In fact the whole course of discussion would go to show that this plea was taken by the Swarajist Party and their allies with a view to save themselves from the objection to which their conduct would obviously be open. Sir, on the broad political issue raised, it is quite clear that so far as the demand, the political demand, is concerned, there is no

[Saiyid Raza Ali.]

difference of opinion between the various parties that are to be found in the Indian political field. Every party demands that there should be a further political advance. Whether we take into consideration the wishes of the Swarajists or of the Independents or again of the Liberals, who are sometimes also called Moderates—I do not know which is their proper label—or of the party which used to be called the Home Rule Party and which has been led for many years by Mrs. Besant, one thing emerges quite clearly out of those demands, namely, that no section of the Indian community is satisfied with the present Government of India Act, and every section is convinced that the time has come when effective steps should be taken to have another instalment of reforms. In enumerating the various parties into which political India is divided, I have purposely refrained from mentioning the No-Change Party, which, I must acknowledge, consists of many men of influence and which again is very large in its numbers. Sir, the reason why I have not mentioned this party is that they do not want to have anything to do with Government. They think—and they make no secret of it—that the present Government is too wicked to be approached by them with a request for further political advance. Now, Sir, that is the demand of the country. Now, let us see what is the attitude of Government. The attitude of Government, so far as I have been able to judge—and I on my part have given some thought to the question—is not one which would evoke feelings of enthusiasm or even of satisfaction in any Indian heart. Sir, let me make it quite clear that I am not unaware of the difficulties with which the task of Government is beset. The Government of India have their own difficulties as His Majesty's Government have theirs. But when due allowance is made for all these matters, still it is quite clear that the policy that the Government of India have been following is a hesitating and halting policy. Sir, nobody wants the Government to make an announcement that, with effect from such and such a date, such and such a measure of reform will be enforced in this country. But, Sir, certainly the time has come when the Government of India should take its courage in both hands and be prepared to meet the public demand in a courageous manner. Sir, the effect of this policy pursued by Government has been to alienate the sympathies of its friends, to force those, who have not made up their minds as to whether they ought to throw in their lot with the Swarajists, into the arms of the Swarajists and to make the whole political situation in the country extremely intense. Sir, for one minute I ask Honourable Members just to look at the position of the Swarajist Party itself. I say so, because I am not in the danger of being misunderstood, having parted with the Congress party in the second week of September 1920 when the split came over the non-co-operation resolution passed at Calcutta. Sir, this party in spite of the professions in which it indulges is, as far as I have been able to judge, anxious to bring about that co-operation, that responsive co-operation as enunciated by the late lamented Mr. Tilak, in which it would be possible for them to work with Government under certain conditions. This House can judge for itself that the conditions are by no means impossible of attainment. Yet, when Government take up an attitude of absolutely or very largely—perhaps it would be a better term—ignoring their desires and their requests, the result is a natural weakening of the position of the Swarajist party who, I think, are after all a constitutional party in India, and forcing them into the arms of the no-changers. That, Sir, in itself—I say this with due deference—is no

small danger. Sir, we know what the attitude of the no-changers is. To show their attitude, I would read out only three lines from a certain interview that was granted only four five days back by the leader of the no-change party, namely, Mahatma Gandhi, to a certain correspondent. In the course of that interview Mahatma Gandhi said:

"When India becomes irresistible, I have no manner of doubt that any Government whether Labour, Conservative or Liberal, will fall in with India's demands."

We also know that since his release Mahatma Gandhi or his followers have not had anything to do with the efforts that the Swarajists are making to bring about a change in the constitution of the Indian Government.

Sir, I have not the least doubt that the Assembly have committed a grave blunder in throwing out this measure. Yet, let there be no mistake about it that their action and the action of those who entered the Assembly on the Independent ticket and who sided with the Swarajists when this measure was before the Assembly shows that what was at the back of the minds of those who have thrown out this measure was a feeling of extreme dissatisfaction and discontent with the attitude taken up by the Government of India. It is difficult to understand the attitude of the Independent Party on this measure except that it might be said perhaps in extenuation, if I may say so, of what they have done, that they have considered it their duty to enter a protest against the Government's attitude on the Resolution demanding a Round Table Conference. But, as I pointed out in the beginning, the attitude of the other House is not calculated, according to my judgment, to advance the cause of constitutional reform. I for one have been no sparing critic of Government's actions from time to time. But let me say that during the past year or so, the attitude of Government has not been one which we can characterise as wholly unsatisfactory. There was a time—and unfortunately that time was not in the remote past—when the Government considered it inconsistent with their prestige to take into consideration the current of strong public feeling on a number of questions. Fortunately, that is not the case at present. Whether we take into consideration the Nagpur Satyagraha campaign which, it must be acknowledged, was brought to a happy close by an anxious desire on the part of the Government to terminate it, or whether we take account of the withdrawal of the punitive police from Borsad in the Bombay Presidency, it will be seen distinctly that a change for the better has lately come in the angle of vision, if I may use that term, of the Government of India. We cannot in this connection also forget the release of Mahatma Gandhi for whom, howsoever we may differ from him on a number of questions his countrymen have the greatest respect and esteem. Even the policy pursued by Government in the course of this very Finance Bill which is before this Council would go to show that the Government are quite prepared to take into account public opinion. Sir, while recommending the Bill, it was quite open to the Governor General to have stuck to the terms of the original Finance Bill. Yet, I must acknowledge, that being influenced by the educative criticism that was offered on the Bill, both here and in the Assembly, the terms of the Bill were very considerably modified. Take, for instance, the question of the salt tax itself. In response to public demand it was reduced from Rs. 2 to Rs. 1-4. I do not agree with my friend the Honourable Mr. McWatters when he spoke on the Bill as it has come to us in somewhat apologetic terms. He need have offered no apology for the Finance Bill as it is. The Government of India are rather entitled to be congratulated on being responsive and, in consequence of that response, having amended

[Saiyid Raza Ali.]

the Bill on essential points Then, again, Sir, we know that only the other day Lord Olivier made a very sympathetic announcement in the House of Lords. True, that announcement does not hold out any very definite hopes. Yet it is an announcement which we could not have expected from his predecessor three or four months back. The announcement is one which is full of sympathy for India and is extremely conciliatory in its tone. On the question of the status of Indians overseas we also know that the Government of India have put up a very brave fight. Only yesterday, Sir, an important statement was made by the Leader of the House. He referred to the scope of the reply that was given by Mr. Richards, the Under Secretary of State, in answer to a supplementary question. I am very glad to find that after all His Majesty's Government have not closed the door upon us for an indefinite period. Rather from the terms of that statement it appears that the Secretary of State will at no distant date be prepared to consider—reading between the lines, if I may say so,—the question of further political advance. Sir, I am for passing this Bill because I have faith in the sincerity of Lord Olivier and the Labour Party. I must also say that I have faith in the justice of Lord Reading who has been at the helm of affairs during the past three years, a very critical period indeed. We also know, Sir, that there is going to be a change in the personnel of the Government of India. Perhaps you are aware, Sir, that a new Member is going to join the Government of India and hold charge of the important department of Home affairs (Hear, hear.) There is no reason to doubt, Sir, that the Government of India, constituted as they will be, would be able to improve the situation and bring about a better understanding between political leaders and themselves. With this change in India and Lord Olivier at the head of affairs in England, I for one have hopes that everything will be done to take steps towards further political advance. Sir, let us not judge the action of the other House too severely. When feelings run high, when passions are excited, people do things which they would not do in their calmer moments, and this applies not only to the Swaraj Party but perhaps equally well to other people whether they are officials or non-officials. Sir, as the immortal Akbar, a well-known poet of Allahabad, has said:

" Jo na hona chahie jab tak na ho.
Kis tara woh ho jo hona chahie."

" Till that happens which should not happen, how can that happen which ought to happen ?"

I admit, Sir, that the action taken by the other House is unjustified. Not only is it unjustified but it is action which is extremely dangerous, which instead of advancing our cause is calculated to retard it. But, Sir, as I have said, in excitement people do things which they would not do in their calmer moments, and if in the process of our political evolution it is necessary to pass through these stages, I for one, Sir, shall not be sorry that the Assembly has thrown out and we have passed this Bill.

THE HONOURABLE MR. J. R. MARTIN (Bombay: Nominated Official): Sir, I apologise for rising at this stage. I meant to rise yesterday and tried to catch the President's eye, but could not, as I am not so expert or experienced in the art of catching the President's eye as my friend on the right. If I failed to do so I have no doubt that I am at fault. I shall attempt at this stage to be brief and I only wish to refer to one point and

to try to draw one moral from the present Bill and its consequences. The moral is one to which the Honourable the Finance Member referred yesterday. He passed over it lightly. In my opinion it is now not only a question of when the Provinces are to get relief from Provincial contributions, but whether they are to get relief at all. The Honourable the Finance Member expressed his disappointment at the fate of his constructive proposals. It was proposed in the original Bill to lighten the Provincial burdens: this proposal has now only an academic interest, and the lesson which I read is one which I hope will not lead to provincial jealousy but to provincial unity. The contributions are dependent upon the realisation by the Government of India of a surplus, and this again is dependent on a reduction of expenditure while taxation is maintained. Sir, three years have passed since the present financial system came into operation. It enables us, with the fate of the original Bill before us, to see something of the possibilities of this year and the next. We find, Sir, that in the following year there will be initially a deficit of over two crores. It may be, as suggested, that the Honourable the Finance Member has something up his sleeve. We can hardly take that into account before it is brought down. The reduction in Provincial contributions will not take place for the next two years and five years will then have elapsed without any steps whatever having been taken towards the reduction of Provincial contributions. Sir, I would ask whether in this matter the interests of the Government of India are not as vitally concerned as those of the Provinces. The Finance Member has himself indicated this. He talked of a threatened proposal which would do a definite disservice to the interests of Indian finance, and he said it was important to the interests of India as a whole to make a beginning in dealing with the running sore of Provincial contributions. Sir, it is perhaps unnecessary to say at this time of day that of the various rude blows which the reforms scheme has received and of the great handicaps under which it has laboured, the restricted finances of the Provinces have been one of the most serious. I need not refer to the handicaps under which the Ministers have laboured. They were entrusted with subjects which concern social and industrial and educational activities and they have found progress almost impossible. They have been unable to make bricks without straw, and when the time came to render a return to their constituents, the account has not been approved and they have gone down before the attacks of opponents.

I would like to refer to another point in connection with the same financial settlement. It has been repeatedly pointed out by the Provinces that the original scheme was unsatisfactory and unworkable. We have now the experience of three years and we can see two years ahead. Experience has fully confirmed all the fears put forward as regards the results of that settlement. The contributions have not been reduced and are not likely to be reduced in the very near future. We find that the prognostications of the framers of the scheme have not been fulfilled as regards the elasticity and the capacity for expansion of the resources of taxation and income which were left to the Provinces. It has been shown by a Colleague of mine in another place that in one Province, which I shall not mention, the figures of revenue calculated in the scheme which was framed, and accepted in its changed form, were almost 25 per cent. above those realised in practice. This is not one year's experience; it is based on five years' figures. If the estimates of the Financial Relations Committee had been correct, the Province in

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[Mr. J. R. Martin.]

question would have had in five years over 11¼ crores more to spend, and similar riches to follow in future years. I need not point out what a difference it would have made to the Province itself and to the Ministers of the Provinces if they had had this money and could have spent it on the oft-quoted " nation-building " services. Sir, the framers of the settlement were, to use a recently quoted phrase, reasonable men. They based their proposals on the best data available at the time, but their calculations have not been realised and their anticipations unfortunately have not been correct. The problem which was put before them for solution was one of assigning to the Provinces sources of revenue which would expand and which would give to those running the Provinces a possibility of advances in various directions. On the other hand the revenues which were assigned were more than the Government of India could afford to give up at the time, and therefore certain contributions were to be made from the Provinces. In another respect to, that is as regards the expansion of revenues and the reduction of contributions in the future, the expectations of the framers of the scheme have not been fulfilled. The settlement which was made at the time is not like the laws of the Medes and Persians, unchangeable. It has already been changed, and the framers of this settlement themselves anticipated that it would be in part changed. They said it would be impossible permanently to exclude Local Governments from some form of taxation, on the industrial and commercial resources of their Provinces. They said that an equitable distribution could be found of the total taxation of the country, but that for this purpose the statistical information available was not adequate. They pointed out that there were practical difficulties, and then went on to propose the best scheme they could propound at the moment. Sir, we have had three years further experience, and we can now see that the present scheme will not come into real operation for two years more. Is it unreasonable to ask the Government of India that they shall now take the steps necessary to revise this scheme in the light of experience, and in the light of better data than were available at the time? Sir, I hope I have made it clear that I speak in no spirit of provincial particularism. I submit the interests of the Provinces and the Government of India are equally involved. They are at one in this matter. I submit that experience has shown that the expectations of this provincial settlement, of the financial relations scheme, have not been fulfilled both in respect of the growth of revenue and of the expectations of the early reduction of Provincial contributions, they have not been fulfilled and are not likely to be fulfilled. Now, Sir, it may be said that this is a very negative criticism and it may be asked, where does it lead? I admit I do not suggest any solution of the problem; all I desire to do is to show to this House and to Government that the problem exists and that the solution of it which appears in the Devolution Rules is no solution at all. The first necessity, the real necessity, is to realise that a change is required. Once the urgency and importance of the problem is admitted, the machinery for investigation and for its solution will not be hard to find. In my opinion it is both urgent and important, and without a fair and equitable and speedy solution of it the reforms scheme and the future of the constitutional needs in India are and will be prejudiced and endangered.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, at this stage when the motion before the House is

that the Bill be passed, I do not propose to detain Honourable Members with a long speech. Briefly, I do not like this Bill, but I am going to vote for it. I doubt if any of the Honourable Members in this House like the Bill, but I think they also will vote for it, because can we stand aloof and leave it to the Governor General in Council to be the only one to proclaim that, in order to carry on the administration of this country, it is necessary to have revenue? The original Bill, as we know, was refused consideration in the other House. If then it had been introduced in this House and passed with or without amendments, it would have had to go back to the other House, if I understand the procedure aright. No doubt it would again have been thrown out. Therefore there was nothing left but for His Excellency the Governor General to present the Bill a second time in the Assembly in a recommended form; and unfortunately the original Bill, which, at any rate, was a better one than this one, had to be cut down, in the process of being changed to a recommended one. That has been explained to us by the Honourable the Finance Secretary and we have before us a colourless Bill showing no advancement in the financial administration of this country.

In discussing this matter recently with a friend of mine in the other place, he said, "The Assembly has been stupid; they have achieved nothing." I am afraid I do not agree with him. I agree that they have been stupid, but I think they have achieved a good deal, but I wonder whether they are proud of their achievement. They have thrust upon us a Bill which I have described as colourless and which provides for no advancement in the financial progress of this country, but a Bill which, as I said in my opening remarks, of necessity we shall all vote for. The Honourable Saiyid Raza Ali in referring to the Members of the Assembly recommended that men in moments of passion were carried away and said and did things and voted in a manner, which they would not do in their cooler moments. I can only hope that they feel cooler now. Sir, I support the passing of this Bill.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, just as in the life of a man so in the life of a Bill there are something like three stages, the first is that of birth, the next is that of education and the third is naturally his work in the world. This Bill, we know, came in here and was introduced. That was its birth and all the figures have been given without reference to papers and from memory; so it came in all right. As regards education, there are kind masters and hard masters. Some prefer to teach by beating, while others prefer to teach by kindness. So, the discussion stage is the education stage of a Bill as I call it. And the third stage now is that we are sending it out to the world. This I call the stage of benediction. I am a Brahmin and believe myself to be a very superior person, and I will give the Bill my blessing as it goes round in this stage of blessing. In this stage, there are three points that I should like to take up for my purposes. The Right Honourable Srinivasa Sastri did make, what I consider, a sort of analysis and recommended the Bill on one point. It came to this that without criticising anybody and sympathising with everybody he considered that this Bill should have been passed, because the Labour Government had not had time and have not the power just now to help us. Therefore, as a measure of expediency we should have passed this and helped our friends in England. There were other speeches to which I

[Mr. G. S. Khaparde.]

do not want to refer. But my friend Saiyid Raza Ali, who is not now in his place . . . .

THE HONOURABLE SAIYID RAZA ALI: I am very much in my place.

THE HONOURABLE MR. G. S. KHAPARDE: I beg his pardon. He at one time appeared to go back to the old formula, the old formula which was earlier than the birth of this Council, and that was to rally the Moderates. He thought it was just as well to rally the Swarajists. That is what he said it would come to, excusing everything else. Well, personally for myself, I have a third and a higher point. The policy that I am going to mention is also found in the famous declaration of 1917. The last paragraph of that declaration says that all the progress will depend upon how the trust now reposed is carried out and how it is not carried out. That is what we call responsive co-operation, and that is the school I happen to belong to, and it is a small school and generally it is a school to which all people, including some of the no-changers have come to. Mine is the oldest school, namely, of responsive co-operation. And in that declaration, the British Government and the Home Government declare: "Look here, we are going to do something for you, and the speed at which we proceed and the way in which we do it will all depend upon how you respond to our call. If you help us, we shall help you and the thing will go on and progress. If you choose to obstruct and if you choose to be carping and try to be very critical, we shall in turn be critical and see whether you deserve to get more." That is what, plainly speaking, the declaration means. That is to say, they committed themselves to a policy of responsive co-operation. I and a much higher person who is not now in this world fully proclaimed this policy of responsive co-operation. We said, "If you are going to do it, we are very glad. We shall also do our portion with great pleasure. If you want our help, we shall help you", and the thing went on. A different policy has come in now, which I do not want to criticise, because I do not happen to share those feelings and I do not appreciate it. Perhaps I would be doing injustice if I talked about it. As it was pointed out by the Honourable speaker who spoke before me, they succeeded in doing one thing anyhow and that is a very good Bill has come in; they revised the Bill, and therefore we have to put up with a worse Bill, if I may speak of it in that way. Now, I do not think it is anything like a bad law. This is all right. It is just like this. When children are beaten by schoolmasters, they decline to go to school and when another schoolmaster is kind, they want to go to school; then again there is the kindergarten system which makes play and learning very much alike, and children take to it all the more easily. Similarly, in this case, we are a nation that is growing up. When some of us get beaten, we are angry; others get on very well and are willing to go on and it covers the third section which looks upon doing the work more or less as people enjoy the kindergarten system. So, this world being constituted as it is, there are three kinds of responses that come. But the statesman, as I am supposed to be an elderly statesman, being a Member of this House, however, analyses all these matters, leaves aside what is unimportant and unessential and takes the essentials. The essential point is that this policy of responsive co-operation should be carried out to its uttermost, no matter what the circumstances are. The policy will remain the same and we

will always carry it out; and in this particular instance when we are sending out this Bill, we are doing the same. Now, there are the sponsors of it or the parents that gave birth to it, namely, the Government of India; and we, who saw the Bill passed, namely, those who were concerned in the process of education will also go there and see how the Bill progresses. We can say we gave education and sent it out with its master and also with its godfather. So taken together, we are sending out this Bill with the greatest of good-will, though it is tempered a little. We could not have it as it was originally framed, though originally it was in a better form. But that does not matter. I am sure that this Bill will succeed, and I believe when we have got to deal with a similar Bill, it will not suffer from these disabilities. There is a humour in the situation. In the other House, they voted for so many items and said to Government "You can incur so much of expenditure," and when Government said that to incur that expenditure they wanted money, the other House said "We are not going to give you the money; you ought to do the expenditure part of it. We will not give you anything." That was a ludicrous kind of position, and I am glad that we are here to extricate the present administration out of this awkward position. That is how I look at it. I laughed to myself and I said this is very good indeed. I ask my agent for a house. He says he has got a beautiful palace with a garden attached to it, which is in every way very comfortable. He does not ask for a single pice. I tell him that the garden must have cost a crore of rupees and the palace must be worth another ten crores of rupees and then there is furniture and everything else. When I ask him if he wants any money for it; he says nothing at all. That is a position which has rather its own humour and it appealed to me and I laughed and said I would not talk about it just yet. But I am very glad to see that our Council has treated the Bill well. It has discussed it not very tenderly, though sometimes it has treated it tenderly, but justly, and more or less in a critical fashion. We have done everything that we could to improve it. Fortunately, it came out in such a good form or rather in such an emaciated form that it could not be emaciated any further. If you take one ounce of blood out of it, the whole thing will come to an end. However, be that as it may, even the skeleton Bill has my blessings and we send it out from here with all possible good-will and hope that its brother, when it comes here next year, will not have any of these difficulties to deal with. With these words, Sir, I propose that we vote for this Bill unanimously.

THE HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab: Muhammadan): I wanted to speak on this Bill yesterday late in the evening but when I saw the weary faces of the Honourable Members after a whole day's toil, I thought it wise to exercise self-denial. This morning, Sir, I think, the Honourable Members are quite fresh and I may claim a little indulgence. The Honourable Saiyid Raza Ali in the course of his long speech reviewed the reasons which actuated the other House for throwing out this Bill in the beginning and then not accepting its introduction. The main reasons given, and which are known to us all, are that the Members of the other House, thinking that Government made no response to their demands, thought that they would force the hands of Government in conceding some measure of further reform by rejecting this Bill. Sir, it may be wise on their part but for a man who is not an initiate, it is very difficult to form a good idea of the reasons—weighty reasons—which they had in view. The question of reforms has been agitating the minds of the Indians ever since

[Sir Zulfiqar Ali Khan.]

1917. The present reforms were promised in 1917 and after the war the present measure was given to us. We are still, although some will not admit it, in the experimental stage, and I think the world at large, and India in particular, is keenly interested in the development of this experiment. To my mind, Sir, the question of reform is dependent on the development of the soul of the people. If the soul of the people is aflame, if the whole nation is one, then it is the divine law that no power can stand in the way of its advance. But, Sir, it is an irony of fate that, while some of us want further reforms, we ourselves are not willing to do justice to one another. We have not, I am sorry to say, the wide vision of those who have made nations and who have guided the nations to the goal put before them. We are rather actuated by petty-mindedness and by narrow sectarian views. I am not one who would denounce the idea of reforms or would stand in the way of a nation, especially of my own nation. Even if I tried to do so, the onrush of national tide would sweep me and others away. The whole question is whether those who speak for three or four hours are willing to concede anything in the larger interests of the nation. I have no doubt that the British Government who have attained to their present position step by step and have now become the freest people in the world will not deny to Indians that heritage which is theirs by selfishly monopolising the power in India. Once they see that the whole of India, irrespective of caste and creed, is united in one purpose and is determined to march forward and is not actuated by a petty spirit, they will be the first to come forward, even if they did not want it, to hand over the keys of the Indian administration to us. But we have to see what the actual situation in India is. I am not in any way exaggerating the real situation which is facing us. When I see the state of sanitation, the state of the women, the state of the uneducated children, the neglect and carelessness that prevail everywhere, I must admit that I feel very disappointed in spite of all the interest that I may have in the welfare of my country. We must first direct our attention to the uplifting of the whole nation. The Government have certainly helped us by imparting education and by giving us an insight into administration. But I would like to ask some of those who have voiced their sentiments here if they have done anything for their own country and for their own people. Sir, it would not be out of place here to say that the two countries which have been under the protection of the British—Egypt and India—these are the two countries which have come forward to claim their heritage. Egypt has got it to a very large extent; India I hope will soon get it. There are other oriental countries under the control of European Powers, such as France and Russia. France has got practically the whole of Northern Africa inhabited by some very intelligent races such as the Tunisians, Algerians and Moors. I would like to ask my Honourable friends to reflect a little and see what state of affairs exists in those countries. Have the French given those people any rights or are they giving them any education such as we are getting here, or do they put before them any goal of independence? As far as I know, the great question which exists in the North of Africa is that the French colonists are trying to appropriate the most fertile lands and to drive the Moslems towards the south.

THE HONOURABLE THE PRESIDENT: I do not wish to hurry the Honourable Member, but I would remind him that this is the third reading of the Bill.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: I think, Sir, I have not taken one-tenth of the time that others have taken.

THE HONOURABLE THE PRESIDENT: My point is that this is the third reading of the Bill, and many of the points with which he is dealing have already been gone over.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: I was, Sir, dealing with those problems which actuated the other House in rejecting the Bill; but if you do not like me to speak on this subject I will desist.

THE HONOURABLE THE PRESIDENT: I do not wish to confine the Honourable Member in any way, but I would say that many of the points which he deals with have already been gone over. This is now the third reading of the Bill.

Will the Honourable Member continue?

THE HONOURABLE SIR ZULFIQAR ALI KHAN: In all this, Sir, as an Indian and an educated Indian I have every sympathy with the aspirations of my own people. It was only in the way of indignation that I said so and I hope that those who listen to me here and who have the ear of the public outside will act in such a manner as to remove all inter-communal bickerings. It is the only way to attain Swaraj, and if they do not cultivate these virtues I am afraid, Sir, that Swaraj will be a remote contingency.

Sir, last year there was such a big agitation over the salt tax that one is rather surprised at the waste of energy of the political leaders in devoting their time to this question, because after all it was not such an oppressive burden as to demand their attention to this extent. But it is a great credit to the Finance Member that he has brought the tax down to the original amount. I think we may congratulate the Government on this wise decision.

With regard to the Post Office, as my Honourable friend, Rai Bahadur Lala Ram Saran Das said yesterday, there is certainly an amount of laxity and one does feel that the efficiency shown in previous years does no longer exist. Letters are lost and sometimes deliveries are very irregular, and therefore I would ask that the Post Offices may have a little more attention from the head of the office.

With regard to the Army, Sir, I am one of those who maintain that armies should be kept very efficiently, but when the army is efficient it may not be in such large numbers. Efficiency naturally bespeaks a small army, especially when there is no very big army on the frontier. My Honourable friend said yesterday that the Waziristan Force might be maintained so that the raids that are committed may not be committed again; but, Sir, he forgets that the maintenance of this large force in Waziristan is costing Government a treasure and after all who is to bear the burden of this big expense? It is the poor. And then the Rai Bahadur was rather anxious about the increase of the tax on salt. I cannot understand how he can advocate this big expenditure on the Army in Waziristan.

With regard to the income-tax, I agree with the Rai Bahadur that the unrealised portions of rents may not be subject to taxation.

Sir, with these few remarks I give my whole-hearted support to this Bill

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I move that the question be now put.

THE HONOURABLE THE PRESIDENT: The question is that the question be now put.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, be passed."

The motion was adopted.

INDIAN INCOME-TAX (AMENDMENT) BILL.

THE HONOURABLE MR. A. C. McWATTERS: Sir, I beg to move:

"That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

This small Bill is designed to remove certain defects and to repair certain omissions which occur in the existing Income-tax law. It relates to four separate matters. It has already been considered by a Select Committee of the other House, and I specially mention this point because the Select Committee of the other House made certain changes and introduced a new clause which has had the effect of altering the numbering of the clauses in the Bill as they now appear as compared with the numbering referred to in the Statement of Objects and Reasons.

The first of the amendments proposed is dealt with in clauses 2, 3, 7, 8, 9 and 11 of the Bill. The object of this amendment is to make it clear that associations of individuals which are not companies, registered firms or Hindu undivided families are liable to income-tax. It has been the practice in the past to tax such Associations, and it was clearly the intention of the Income-tax Act, as is in fact shown by the definitions therein. But some of the later sections of the Income-tax Act and also the Schedules which are attached to the various Finance Acts proceed by enumeration of the classes of assessees, and that enumeration refers only to individuals, companies, registered firms and Hindu undivided families and does not deal explicitly with associations of individuals. Some doubt therefore may possibly arise, although the point has not actually been taken, whether associations of individuals such as clubs, which may not be companies, are liable to taxation. It is the object of the first amendment to make this point clear. I may mention that clause 2, which was added by the Select Committee in the other House, provides that service of notice on such Associations shall be made on the principal officer of such Association. This is merely as a matter of convenience. Clause 11 of the present Bill is intended to validate assessments which have been made in the current year, and also in view of the fact that the Finance Bill, which the House has just passed, refers by enumeration, as I have described, to certain particular classes of assessees, to make it clear that associations of individuals shall, in the coming year also, be liable to taxation.

The second amendment which this Bill proposes to make is dealt with in clause 6 of the Bill. That clause proposes to amend section 25 of the

Income-tax Act of 1922. Section 25 of the Act deals with the procedure in assessment of businesses which discontinue operations in the course of any year. The necessity for that section arises from the fact that the method of assessment of income-tax was changed when the Act of 1922 was passed and the old adjustment system was then abolished. The result is that if a business has been assessed both under the old Act of 1918 and the new Act, when it comes to be discontinued, it will have paid income-tax for a year longer than a business which has only been assessed under the new Act. That is the distinction between these two classes and the Select Committee on the Bill of 1922 sought to give relief to businesses which had been assessed under both the Acts. But unfortunately, as the Act of 1922 is worded, it does not carry this out. The wording of the Act as it stands refers to the date on which the businesses came into operation, and not to the fact that they had been assessed under the old Act or only under the new Act. This is merely a drafting amendment intended to give effect to what was the intention of the Select Committee of the Bill of 1922.

The third amendment is a very simple one. It is referred to in clause 10 of the present Bill, and the object of it is simply to impose a time limit for applications under section 66 (3) of the Income-tax Act which may be made by an assessee to the High Court with the object of requiring the Commissioner of Income-tax to state a case in law. I will explain the position briefly. Under section 30 of the Income-tax Act, an appeal lies from an assessment by an Income-tax Officer to the Assistant Commissioner, and a further appeal within one month lies to the Commissioner under section 32. The Commissioner hears and normally disposes of that appeal, but if a point of law arises, the assessee has the right to apply to the High Court for revision within one month of the Commissioner's order. On the other hand, the Commissioner also has the right to refuse to state a case on the ground that no point of law arises. The Act goes on to state in section 66 (3) that the assessee may himself in those circumstances apply to the High Court for a *mandamus* that the Commissioner be asked to state a case, but that section omits to mention a time limit. In practice cases have arisen in which such applications have been postponed for a year or more, and this is an obvious inconvenience both to the Courts and to the Income-tax officers and in fact to the assessees themselves. In the Bill as it originally went to the other House, it was proposed to fix a time limit of one month, but the Select Committee have extended it to six months, which I think the House will agree, is a very liberal provision.

I now come to the fourth amendment, which is the most complicated and technical. That is the amendment dealt with in clauses 4 and 5 of the Bill. A very curious and accidental circumstance has caused an anomaly in our Income-tax procedure. It has resulted in a few provident funds of private companies, in two Provinces only, being able to claim the exemptions from income-tax referred to in sections 4 and 15 of the Income-tax Act. This result was entirely accidental and it arises because of the wording of the Provident Insurance Societies Act of 1912, read with the Income-tax Acts of 1918 and 1922. The Provident Insurance Societies Act of 1912 is an Act which relates to a certain number of very small societies which do insurance business, and the Act is regulated by rules made by Local Governments. Two Local Governments, Bengal and Burma, have held that provident funds of private firms should be classed as coming within the Provident Insurance Societies Act, but as it is obviously undesirable to apply the restrictions of that Act to such provident funds, they have exempted them from the Act. But the Income-tax

[Mr. A. C. McWatters.]

Act in sections 4 and 15 gives certain exemptions from income-tax both to provident insurance societies and to societies *which have been exempted* from the Provident Insurance Societies Act, with the very curious result that these few provident funds have been able to claim exemption from income-tax, which was never intended by the Local Governments, and to which they are not entitled. The position is one which cannot be allowed to stand. To begin with it can only apply to very small provident funds because of the limits of the Provident Insurance Societies Act itself, which only relates to companies doing very small business. In the second place it does not apply to provident funds in Provinces other than Bengal and Burma since no other Local Government has taken this action, and therefore the Government of India consider that the best thing to do is to clear up the position by amending the Income-tax Act so as to make no reference to the Provident Insurance Societies Act. I know that some Members here are interested in the general question as to how and under what conditions provident funds of private companies should be treated as regards income-tax, and I wish to give an assurance that once this anomaly has been cleared away, this question will be considered on its merits. There is probably a case for making special provision regarding such provident funds as comply with certain conditions, and this matter will be considered as a separate question.

But there is another point in this amendment. The House will observe that the method by which we propose to get rid of this anomaly is to remove altogether the reference to provident insurance societies; in other words, that we propose also to take away from provident insurance societies, which are governed by the Act the exemption which such societies now enjoy. The Provident Insurance Societies Act was passed in 1912, and some 14 years ago, when I was serving in the Commerce Department in another capacity, I had a great deal to do with the preliminaries which led up to this particular Act. There were at that time some 1,200 of such insurance societies in operation. They led a short life and a merry one. It varied from five to ten years, in the course of which time they managed to collect a certain amount of subscriptions from the more ignorant of the public, and they then disappeared. There was a regular cycle of them rising and falling. That is the reason why this Provident Insurance Societies Act was introduced, at the same time as the major Act dealing with Life Assurance Companies. These societies are too small to come under the provisions of the Life Assurance Companies Act and therefore a special Act was passed to enable Local Governments to control the operations of these societies and to protect the public. The result of the working of this Act in the last 12 years has been that 29 only of these societies remain, of which 18 are moribund, and of the remaining 11, I will only say that our expert officer who has been dealing with this question tells me that it would be all the better if these eleven societies underwent actuarial valuation. The view of the Government of India is that societies of this kind have no more right to be exempt from income-tax than other insurance companies. The removal of all mention of these societies in the Income-tax Act will mean that they will enjoy exactly the same privileges as any other company doing insurance business, and no more. But I may add that as regards existing societies, since they have enjoyed these exemptions in the past, Government do not propose to make any alteration in the existing practice.

They can be exempted by notification. It is only in respect of new societies that the change will apply.

I hope, Sir, that I have made clear this rather complicated and technical problem and I commend the Bill for the consideration of the House.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I am one of those that the Honourable Mr. McWatters referred to. Bengal, according to him, in the bad company of Burma has been offending and abusing the provisions of the Income-tax Act, availing of obscure provisions of the Provident Insurance Societies Act of 1912. This is a matter, Sir, for settlement between the Central Government and the offending Governments, and if they have exceeded their powers or misinterpreted the provisions of the Act, and if they have set up a body of rules under which most excellent results have been attained, that is a matter that, I submit, ought to be settled between the Central Government and the offending Governments. That, however, is absolutely no reason why the somewhat heroic remedy of an amputation in the regions of the neck should be resorted to for the purpose of curing a headache. My Honourable friend has referred to the Act of 1912 somewhat in the light of what I might call a killing Act. But in the process of killing, there was an attempt to conserve the smaller and better provident insurance societies that did not do that good which was expected, but that would be able to do it if they were properly handled. The bigger insurance companies would not look at the intending smaller insurer. I myself discovered that when I wanted to start a small insurance and provident fund system for our teachers and workers in the University who could not afford heavy premiums. These bodies that are now to be deprived of an old right dealt with small premia. The bigger insurance companies have been left out of the purview of the Income-tax Act and rightly so. But the smaller societies which are governed by the Act of 1912 are now proposed to be taken out of the purview of the concession of the Income-tax Act. The question of premia in their case will not be much of a practical matter, because in spite of the Honourable Nawab Sir Umar Hayat Khan, the Government do not propose to tax incomes of less than Rs. 2,000. Therefore, so far as . . . . .

THE HONOURABLE MR. A. C. McWATTERS: On a point of explanation, Sir, there is no question of special treatment as regards premiums. These societies will be in the same position as any other company doing life assurance business as regards premiums.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I am glad to hear that, but it is a matter of no consequence. There is the question of the securities of these companies. They also require protection by a concession which they have so long enjoyed and which is to be withdrawn for no good reason. If a company is well conducted, because it is small, there is no reason why its securities should not continue to enjoy the rights so long enjoyed which were deliberately given to such companies under the Act of 1912. The Government are probably correct in their annoyance with the Government of Bengal and the Government of Bombay—I mean the Government of Burma . . . .

THE HONOURABLE SIR ARTHUR FROOM: Not Bombay.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I have already antagonised Bombay by a slip of the tongue. Bombay is so immaculate that it does tolerate an inadvertent slip of this kind. Supposing

[Dr. Sir Deva Prasad Sarvadhikary.]

the Government of my province, Bengal, and that of Mr. Vedamurti had been doing things that they ought not to think of in any fashion, I submit, Sir, absolutely no case has been thereby made out why the Act of 1912 should be taken out of the purview of the Income-tax Act, without a much stronger case. I am glad, however, to welcome my friend's assurance that these provident insurance funds will be adequately and sympathetically dealt with. I know that my friend to my right (Mr. Bell) and others like him who have been trying to build up the trade and commerce of Calcutta know that some of our merchant princes, private employers, corporations like the Corporation of Calcutta, the University and other teaching bodies are trying now to provide provident funds for their employés. They cannot all avail themselves of the excellent provisions of the postal insurance fund. I acknowledge with gratitude that in the case of the University workers and workers of the Port Trust and some other important bodies, the provisions of the postal insurance fund have been extended; and if the provisions were extended, at all events, say to deserving bodies of public workers, like teachers of recognised schools and colleges, much of the grievance that I have in mind would disappear. But till that is attained in the case of the private companies and corporations and bodies that I have mentioned which are trying to build up the provident fund system, I do not think this healthy and long standing provision ought to be interfered with. I say again that I welcome the assurance that a very sympathetic treatment will be accorded to the private provident fund societies, and anything that Government can do to protect the securities and funds of these societes in the matter of exemption from Income-tax will, I am sure, be a great public relief.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The House will now proceed to the detailed consideration of the Bill.

Clauses 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 were added to the Bill.

The Preamble was added to the Bill.

THE HONOURABLE MR. A. C. McWATTERS: I beg to move that the
1 P.M. Bill, as passed by the Legislative Assembly, be passed.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, as passed by the Legislative Assembly, be passed."

The motion was adopted.

AMENDMENT OF STANDING ORDERS.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, at this hour and after its long, and not unexacting pre-occupations with wider and weightier issues, I think I shall correctly interpret the wish of the House if I "imitate the honourable Romans in brevity." This can be

said, without any disparagement to the real importance of any improvement in our procedure, because I think that, when the House referred the amendment to the Select Committee, they then approved of it in principle. The rest was largely a matter of detail and of drafting. That work, as the House will acknowledge, has been carefully and scrupulously performed by the Select Committee. I am happy on my own part to acknowledge that the amendment, as it has been reported by the Select Committee, is a distinct improvement upon the form in which I originally presented it and I commend it to the favourable attention of the House. Sir, I move:

"That the Report of the Select Committee on the proposed amendment of the Standing Orders, relating to the quorum of members of Select Committees, be taken into consideration."

The motion was adopted.

THE HONOURABLE MR. J. CRERAR: Sir, am I at this stage to move that the Standing Order as amended be passed? If so, I make that motion.

THE HONOURABLE THE PRESIDENT: The question is:

"That the *Standing Order as amended be passed."

The motion was adopted.

VALEDICTORY REMARKS OF THE HONOURABLE THE PRESIDENT.

THE HONOURABLE THE PRESIDENT: As this is the last time I shall have the honour of presiding over this Council, I take this opportunity of thanking all the Members from whatever section of the House for their continued courtesy, kindness and support to the Chair during my tenure of office. The appointment of a first President of the Council is not perhaps altogether the bed of roses some people seem to think. I will not say that it is laborious but we had to start our practice and procedure on sound foundations. Even in the matter of the "speakers' eye" discretion is necessary. I may say for myself that I have always endeavoured, as far as possible, to catch representative opinion from all sides of the

* "After Standing Order 39, the following Standing Order shall be inserted, namely:

'39A. (1) At the time of the appointment of a Select Committee, the number of persons whose presence shall be necessary to constitute a quorum of the Committee shall be fixed by the Council.

(2) If, at the time fixed for any meeting of a Select Committee, or at any time during such meeting, a quorum is not present, the chairman of the Committee shall either adjourn it forthwith to a future day, or shall defer the commencement, or suspend the proceedings of the meeting for such period in the same day as he may deem reasonable, and, if at the expiry of such period a quorum is not present, he shall adjourn the Committee to a future day.

(3) Where a Select Committee has been adjourned in pursuance of sub-order (2) on three successive days fixed for meetings of the Committee, the chairman of the Committee shall stay further proceedings, and shall report the reason for so doing to the Council.'"

[The Honourable the President.]

House. (Applause). It is not possible, having regard to the ordinary exigencies of debate, to enable every Member to speak on every subject and I do not think the House would wish it. But what one has to do is, as far as possible, to catch representative members of the House in such a way as to produce a debate which elicits the true trend of opinion and enables all views to be brought forward. I know it is very annoying—and I am very likely to feel it myself—to Honourable Members who come down prepared with their speeches not to have an opportunity of delivering them. But as the Council develops and the sense of Parliamentary responsibility is imparted, it will be found that, as in the House of Commons, Members will arrange among themselves to take different points. Then it will be easier for the President to get a good debate without any Member who has a desire of participating in the debate feeling he has been neglected.

I should like further to say just a word or two of thanks to the officials of the House, more particularly to Messrs. Graham and Periera who sit at the table. (Applause.) They have very much facilitated my work by the way in which they have put up papers before me, and I think Honourable Members will agree with me that they have been most useful to the Council (Applause.) I shall not, as I said before, again preside in this Chair but it will always be a matter of great satisfaction and pride to me that I have been permitted to be the first President of the premier legislative body in the Indian Empire. (Applause).

THE HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, on this the last occasion of your occupation of the Chair in this House I deem it, as the Leader of the House, my duty to offer to you our grateful thanks for your unvarying courtesy, for your impartiality and for the excellent manner in which you have discharged the duties of the high office which you have occupied during the last four years. It has been to every one of us, officials as well as non-officials, a real pleasure to have had for the President of this Council a gentleman of your ability and your experience and of your knowledge of procedure and of law. (Applause.) You are now leaving us in order to occupy perhaps a more responsible and a more difficult position. I can assure you on behalf of my Honourable Colleagues present here to-day and on behalf of those who are absent that our best wishes go with you for the success in your new sphere of life. (Applause).

THE HONOURABLE RAJA PRAMADA NATH RAY OF DIGHAPATIA (East Bengal: Non-Muhammadan): Sir, I associate myself with the remarks that have fallen from the Leader of the House and we hope that you will have a successful career. Although the Home Membership, as was said the other day, is not a bed of roses, still we have great hopes from you. What we shall really look forward to is that, although you may be on our visiting list, we shall be able to have opportunities of seeing you here and being cheered up. With these few words I congratulate you most heartily on your new appointment.

THE HONOURABLE THE PRESIDENT: I thank the Leader of the House and the last speaker for their kind remarks on behalf of the whole House,

and, as the House has already congratulated me on another occasion on my appointment to the Home Membership, I will not prolong this parting scene but I would ask the Honourable Members to shake hands with me before I take leave. I adjourn the Council till the 27th of May.

(Honourable Members then shook hands with the Honourable the President.)

The Council then adjourned till Eleven of the Clock, on Tuesday, the 27th May, 1924.

THE

COUNCIL OF STATE DEBATES

(Official Report)

Volume IV, Part I

(From the 30th January to the 25th March 1924)

FOURTH SESSION

OF THE

COUNCIL OF STATE, 1924

DELHI
GOVERNMENT CENTRAL PRESS
1924

Council of State.

The President:

THE HONOURABLE SIR ALEXANDER MUDDIMAN, KT., C.S.I., C I.E., I.C.S.

Panel of Chairmen:

THE HONOURABLE SIR MANECKJI DADABHOY, KT., C.I.E.
THE HONOURABLE SIR ZULFIQAR ALI KHAN, KT., C.S.I.
THE HONOURABLE SIR ARTHUR FROOM, KT.
THE RIGHT HONOURABLE V. S. SRINIVASA SASTRI, P.C.

Secretary:

MR. L. GRAHAM, C.I.E., I C.S.

Assistants of the Secretary:

MR. W. T. M. WRIGHT, I.C S.
MR. S. C. GUPTA, BAR.-AT-LAW.
MR. G. H. SPENCE, I.C.S.

Committee on Petitions:

THE HONOURABLE MR PHIROZE C. SETHNA—*Chairman.*
THE HONOURABLE MAHARAJA BAHADUR KESHAVA PRASAD SINGH, C.B.E., OF DUMRAON.
THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN, K.C.I.E., C.B.E., M.V.O.
THE HONOURABLE SIR ANNAMALAI CHETTIYAR, KT.
THE HONOURABLE LALA SUKHBIR SINHA.

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